
**TIGARD CITY COUNCIL
MEETING**

JULY 15, 2003 6:30 p.m.

**TIGARD CITY HALL
13125 SW HALL BLVD
TIGARD, OR 97223**



PUBLIC NOTICE:

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SEE ATTACHED AGENDA

A G E N D A
TIGARD CITY COUNCIL WORKSHOP MEETING
JULY 15, 2003

6:30 PM

1. **WORKSHOP MEETING**
 - 1.1 Call to Order - City Council
 - 1.2 Roll Call
 - 1.3 Pledge of Allegiance
 - 1.4 Council Communications & Liaison Reports
 - 1.5 Call to Council and Staff for Non Agenda Items

2. **JOINT MEETING WITH THE INTERGOVERNMENTAL WATER BOARD –
UPDATE ON LONG-TERM WATER SUPPLY**
 - Staff Report: Public Works Staff

3. **POLICY DISCUSSION ON THE BULL MOUNTAIN PUBLIC FACILITIES AND
SERVICES ASSESSMENT REPORT**
 - Staff Report: Community Development Staff

4. **BRIEFING ON RIGHT-OF-WAY MANAGEMENT STUDY**
 - Staff Report: Finance Staff

5. **POLICY DISCUSSION ON UPDATING PLANNING FEES**
 - Staff Report: Community Development Staff

6. **DISCUSS AGENDA ITEMS FOR THE JULY 29, 2003, MEETING WITH THE
COUNTY BOARD OF COMMISSIONERS**
 - Staff Report: Administration Staff

7. **COUNCIL LIAISON REPORTS**

8. **NON-AGENDA ITEMS**

9. **EXECUTIVE SESSION:** The Tigard City Council may go into Executive Session. If an Executive Session is called to order, the appropriate ORS citation will be announced identifying the applicable statute. All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions, as provided by ORS 192.660(3), but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

10. **ADJOURNMENT**

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AGENDA ITEM # _____
FOR AGENDA OF July 15, 2003

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Update on Long Term Water Supply

PREPARED BY: Dennis Koellermeier DEPT HEAD OK _____ CITY MGR OK _____

ISSUE BEFORE THE COUNCIL

The City has made progress on several issues since the last Council update affecting Tigard's efforts to secure a long term water supply. This will be the third joint meeting with the Intergovernmental Water Board where City staff will brief the Council and IWB on the most current information available regarding both our relationship with the City of Portland and our efforts to become members of the Joint Water Commission. There will also be a discussion relating to proposed changes that will come before the City Council relating to our membership in the Willamette River Supply Agency (WWSA).

STAFF RECOMMENDATION

No action is recommended at this time.

INFORMATION SUMMARY

The City had been actively pursuing ownership in a long term source of water. Past and current Council goals as well as the visioning process, has consistently directed the City to this goal. We have been working on two projects to this end, one being the regionalization of the Bull Run system and the other being membership in the Joint Water Commission. The City of Portland has recently withdrawn their support of a regional agency at this time. The City is currently dependent and will continue to be dependent on the Bull Run system to meet a portion of our water supply needs. Tigard, along with the other suburban wholesalers, must now shift their focus to the negotiation of new wholesale contracts. That process has been underway since May and staff will present a status report on the process.

At the same time progress is being made in our efforts to gain membership into the Joint Water Commission. The current members of the Commission have directed their staff to negotiate the general terms under which Tigard would become a member. Tigard is currently requesting a membership that is based on the ability to obtain a firm 4 million gallons a day supply from the Commission.

In addition to the above informational updates, the members of the WWSA have suggested some changes to their organization. Those proposed changes will be presented and explained by staff at the meeting.

OTHER ALTERNATIVES CONSIDERED

N/A

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

Current Council Goals and the Visioning document identify the desire to obtain a long term water supply.

ATTACHMENT LIST

none

FISCAL NOTES

AGENDA ITEM # _____
FOR AGENDA OF July 15, 2003

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Bull Mountain Public Facilities and Services Assessment Report - policy discussion

PREPARED BY: Jim Hendryx DEPT HEAD OK _____ CITY MGR OK _____

ISSUE BEFORE THE COUNCIL

General policy discussion about annexation issues and policy choices.

STAFF RECOMMENDATION

No action is being requested other than discussion.

INFORMATION SUMMARY

The Public Facilities and Services Assessment Report has been developed to address Council's goal of evaluating Tigard's role in the provision of urban services. The primary objective of the report is to evaluate how the potential timing of annexations impacts the City's ability to provide for this area the most effectively and efficiently. The document serves as the foundation for more detailed policy discussions and decisions as listed on pages 23 and 24 of the Assessment Report.

Council was presented a copy of the draft Assessment Report in June, 2003. Since that time, Council has had the opportunity to ask questions and the document has been further refined. At this work session, Council will be asked to discuss the policy choices and issues discussed in the Assessment Report. The Assessment Report will be finalized after this work session. Staff is scheduled to present the final document with policy direction at the August 26, 2003 Council meeting.

OTHER ALTERNATIVES CONSIDERED

Not applicable.

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

Growth and Growth Management Goal #2, Urban services are provided to all citizens within Tigard's urban growth boundary and recipients of services pay their share.

ATTACHMENT LIST

Attachment 1: Draft Bull Mountain Public Facilities and Services Assessment Report (July 1, 2003 update)

FISCAL NOTES

The Public Facilities and Services Assessment Report includes a fiscal analysis section which evaluates the financial impact of annexation over time. There are no direct costs for the production of the PF&S Assessment Report. Future action may have associated costs, however, estimation of potential costs depends on Council actions and decisions which are not planned to be part of the discussion at this particular meeting.

Draft

**PUBLIC FACILITIES AND SERVICES
ASSESSMENT REPORT
FOR THE BULL MOUNTAIN AREA**



CITY OF TIGARD

*Community Development
Shaping A Better Community*

**Community Development Department
Long-Range Planning
Draft – updated July 1, 2003**

Table of Contents

	<u>Page</u>
I. Executive Summary	1
II. Introduction	5
A. Background	
B. Report scope and objectives	
III. Methodology	7
A. Area of Evaluation	
B. Range of Alternatives	
C. Overview of Evaluation Criteria	
1. Fiscal	
2. Service Provision Impacts	
3. Relationship to UGB	
D. Analytical Approach	
E. Assumptions	
F. Relationship to Bull Mountain Study	
IV. Analysis of Alternatives	11
A. Fiscal Analysis	
1. General Overview/Approach	
2. Analysis of on-going provision of services	
3. Analysis of capital needs	
B. Analysis of Service Provision Impacts	
C. UGB	
V. Summary of Conclusions	22
A. Timing and Sequence	
B. Policy Analysis	

Appendices

- Appendix A. Study Area Profile
- Appendix B. On-Going Service Costs and Revenues
- Appendix C. Growth Based Fund Descriptions
- Appendix D. Tigard Service Provision Impacts summaries by Department
- Appendix E. Change in Service Levels between County and City
- Appendix F. Evaluation Criteria Tables
- Appendix G. Chronology of coordination in unincorporated areas

Draft

**City of Tigard
Public Facilities and Services Plan
for the Bull Mountain Area**

PRODUCED BY:

**THE CITY OF TIGARD COMMUNITY DEVELOPMENT DEPARTMENT IN
COLLABORATION WITH THE FINANCE, ENGINEERING, POLICE AND PUBLIC
WORKS DEPARTMENTS**

DIRECTOR, JAMES N.P. HENDRYX

JULY, 2003

**CITY OF TIGARD
13125 SW HALL BLVD.
TIGARD, OR 97223
503/639-4171**

Section I. – Executive Summary

With the adoption of the City's Comprehensive Plan in the early 1980s, the Bull Mountain area has been identified as within Tigard's urban services area. Over the years, portions of Bull Mountain have annexed into the City. However, major portions (approximately 1,430 acres) remain outside the City limits. This area is developing rapidly at urban densities. Given the existing development trends, portions of the Bull Mountain area are likely to reach build out in the next few years.

Under the Oregon land use system, all cities and counties, through a cooperative process are required to establish Urban Growth Boundaries separating urbanizable land from rural land. Establishment and development within the Urban Growth Boundary (UGB) area is based on several factors, including orderly and economic provision of public facilities and services to support urban levels of development. However, the planning and development pattern in unincorporated Bull Mountain has not taken into account the capital needs, including the open space and recreational needs of its residents. Should the area fully build out before annexation, Tigard will not have all the financial/growth management tools that exist today to address the needs of the area.

Ongoing services

On-going services such as police service, street maintenance and other services are not one-time investments. On-going service needs are those needed to maintain newly annexed areas at the same level of service as provided to the City of Tigard. Revenues for on-going services are based on population and other factors, not directly tied to new development. Several funds are not projected to cover the on-going service costs, however, the Gas Tax fund is the only one that can not be increased to ensure that costs are covered. Policy choices are proposed to help minimize the Gas Tax fund deficiencies. The projections indicate that, with all revenue funds combined, the Bull Mountain area can be provided City of Tigard services without a reduction in services.

Capital needs

Capital needs include park acquisition, major road improvements, storm and sanitary sewer facilities. Revenue for capital needs comes from new development. The Bull Mountain Area has estimated capital improvement needs totaling approximately \$36 million. While this amount appears significant, it is roughly proportional to the rest of Tigard's capital needs.

Because revenue for capital needs comes from new developments, annexation should occur as soon as possible in order for the City to maximize the available funds to meet the projected needs. By delaying annexation until 2010, 25.6% of the capital funds will not be available to Tigard. Approximately, 45.6% will not be available if annexation is delayed until 2015.

Service provision

All service providers except Public Works –Streets Division and Police, could temporarily absorb portions, or the entire area, using existing crews, until additional staff and equipment is purchased. The Police Department could absorb any portion or the entire area with a reduction only in response time to priority 3 (lowest priority, no one in danger)

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calls. The Streets Division could not absorb more than one sub-area without additional staff being hired up front.

Relation to the UGB expansion areas

The Urban Growth Boundary (UGB) has recently been expanded. Two areas are adjacent to Bull Mountain. Both are suitable for urban development and eventual inclusion within Tigard's urban services area. Tigard's involvement in the development of these areas is critical to assure that urban levels of public facilities and services are available for future residents. Integration with Bull Mountain will also be necessary so that they can be planned to complement and enhance the Bull Mountain community and each other. Consideration must be given to providing logical connections to the UGB expansion areas and the rest of the City, ensuring that adequate service delivery can be provided.

Conclusion

Unincorporated Bull Mountain currently receives its public facilities and services from Washington County and special service districts. The County is responsible for law enforcement, road maintenance, and sanitary and storm sewer services. Law enforcement and road maintenance services are provided at enhanced urban levels as compared to rural areas of Washington County. The County has differing service and facilities standards than Tigard. The City has limited ability to manage growth outside its City limits to ensure that efficient and effective public facilities and services are provided.

The timing of annexation is a major factor in addressing this issue. Development occurring outside Tigard's City limits, while subject to specific regulations, does not account for the City's ability to ultimately provide urban levels of public facilities and services. The Bull Mountain Assessment Report indicates:

- As with the rest of the City, the Gas Tax Fund deficit issue must be addressed for Bull Mountain. However, there are policy choices that can minimize impacts.
- As with the rest of the City, Bull Mountain has capital improvement needs. Delaying annexation impacts the City's ability to address those needs.
- Annexation of the entire Bull Mountain area at one time impacts service delivery due to increased staffing and equipment needs. However, options are available to eliminate or reduce impacts.
- The two UGB expansions adjacent to Bull Mountain offer Tigard the ability to plan for the delivery of urban levels of service and capital facilities before these areas develop.
- An annexation strategy is needed for Bull Mountain to address the long term delivery of services and capital facilities.

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Recommendations

City Council needs to consider how and when it will be the optimal time to provide City services to Bull Mountain and eventually the two UGB expansion areas adjacent to Bull Mountain. Delay in addressing this issue reduces the City's ability to adequately provide for those needs. There is a series of policy choices Council can take. Council can decide to maintain the status quo or actively pursue annexation of portions or the entire area. Listed below are five potential policy choices, followed by sub-tasks to implement each policy choice.

1. Support property owner annexations and require annexation prior to development. (status quo)
 - Formalize existing policy that all undeveloped property should be annexed prior to developing. This will require amendments to the Urban Planning Area Agreement between Tigard and Washington County.
 - Utilize the double majority annexation method wherever possible. This method of annexation allows inclusion of additional properties beyond those requesting annexation.
2. Actively seek support of annexations in targeted areas
 - Formalize existing policy that all undeveloped property should be annexed prior to developing. This will require amendments to the Urban Planning Area Agreement between Tigard and Washington County.
 - Utilize the double majority annexation method wherever possible.
 - Focus on areas that have the greatest opportunities for Tigard to address the public service needs.
3. Actively seek annexations via island, cherry stem, and other annexation methods.
 - Formalize existing policy that all undeveloped property should be annexed prior to developing. This will require amendments to the Urban Planning Area Agreement between Tigard and Washington County.
 - Utilize the double majority annexation method wherever possible.
 - Focus on areas that have the greatest opportunities for Tigard to address the public service needs.
4. Initiate annexation and take to vote of Bull Mountain area only.
 - Formalize existing policy that all undeveloped property should be annexed prior to developing. This will require amendments to the Urban Planning Area Agreement between Tigard and Washington County.
 - Consider annexation of the entire area or focus on areas that have the greatest opportunities for Tigard to address the public service needs.
 - Extensive public involvement is necessary to proceed with either the Bull Mountain or Annexation plan vote.
 - Direct development of public involvement plan.
 - Actively involve Washington County in the development and implementation of any public involvement plan.

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5. Annexation plan – vote of Tigard and the affected Bull Mountain area.
 - Formalize existing policy that all undeveloped property should be annexed prior to developing. This will require amendments to the Urban Planning Area Agreement between Tigard and Washington County.
 - Consider the entire area or focus on areas that have the greatest opportunities for Tigard to address the public service needs.
 - Extensive public involvement is necessary to proceed with either the Bull Mountain or Annexation plan vote.
 - Direct development of public involvement plan.
 - Actively involve Washington County in the development and implementation of any public involvement plan.

If Council chooses to seek annexation of the entire Bull Mountain area, there will be short term impacts on service delivery. To address this issue, the following policy choices could be considered:

- Delay the effective date of annexation until staffing and equipment can be obtained.
 - Delaying the effective date of annexation by up to a year would allow hiring and training of police staff and purchase of new equipment.
 - This would require authorizing funding in advance of the annexation becoming effective.
- Negotiate agreements with the County to provide short-term assistance until Tigard service providers are fully staffed.
- Accept short-term, citywide reduction in service levels until staff and equipment are up to standard levels.

Section II. - Introduction

Draft

A. Background

With the adoption of the City's Comprehensive Plan in the early 1980s, the Bull Mountain area has been identified as within the Urban Growth Boundary of Tigard. Over the years, portions of Bull Mountain have annexed into the City. However, major portions (approximately 1,430 acres) remain outside the City limits. This area is developing rapidly at urban densities. Specific areas are nearing build out while other areas can accommodate considerable growth. The planning and development pattern in Bull Mountain has not taken into account the capital needs, including the open space and recreational needs of its residents. Given the existing development trends, portions of the Bull Mountain area are likely to reach build out in the next few years which would further exacerbate the open space/recreational deficiency. A detailed chronology of coordination efforts is provided in Appendix A.

Unincorporated Bull Mountain currently receives its public facilities and services from Washington County and special service districts. The County is responsible for law enforcement, road maintenance, and sanitary and storm sewer services. Tigard, through an intergovernmental agreement with the County, provides development related planning, building, and engineering services to the area. Law enforcement and road maintenance services are provided at enhanced urban levels as compared to rural areas of Washington County.

In December 2002, the Metro Council finalized the two-year process of reviewing the region's capacity for housing and jobs by expanding the urban growth boundary (UGB). As part of this decision, Tigard and Washington County will need to incorporate an additional 480 acres adjacent to the unincorporated Bull Mountain area as part of the overall urban services provision/annexation strategy. When combined with the projected Bull Mountain area population, this may ultimately result in approximately 15,000 new residents. Since the current Tigard population is approximately 44,000 (2002), the unincorporated portion of the Bull Mountain area will constitute approximately 21% of the overall number of residents (59,000) living in this portion of Tigard's Urban Growth Boundary area at its estimated build out.

In 2001, the Tigard Council established a goal to develop an annexation policy/strategy for non-island areas, such as Bull Mountain. In 2001, Tigard developed a Bull Mountain annexation study to assess the feasibility of annexing the Bull Mountain area. The key conclusions and policy issues identified in the *Bull Mountain Annexation Study* centered on the capital needs and lack of funds to meet all the needs in the Bull Mountain area. After the *Bull Mountain Annexation Study* was published, a public opinion survey was completed to assess Tigard citizen and Bull Mountain resident opinions on the potential of annexing the Bull Mountain area. In fall 2002, Council considered a resolution to initiate an annexation plan for the Bull Mountain area; however, the resolution did not pass.

While Council decided not to go further with an annexation strategy last year, its goals continue to involve the Bull Mountain area. Therefore, in order to develop a long-term

strategy for providing services to the Bull Mountain area, a Public Facilities and Services Assessment Report has been developed.

B. Report Scope and Objectives

The analysis contained in this report addresses the relationship between the efficiency of service provision and annexation strategies and its impact on the efficient use of urbanizable land. The objectives of the report are:

- To provide a comprehensive analysis of public services and facilities needs for Bull Mountain, with the emphasis on the relationship between the timing of annexation and funding mechanisms for both on-going and one-time capital improvement projects.

One of the primary objectives of the Bull Mountain Public Facilities and Services Assessment Report is to evaluate the potential timing and sequence of annexation and its impacts upon the City's ability to provide efficient and effective public facilities and services. The City has limited ability to manage growth outside its City limits to ensure that efficient and effective public facilities and services are provided. The timing of annexation is a major factor in addressing this issue. Development occurring outside Tigard's City limits, while subject to specific regulations, does not account for the City's ability to ultimately provide urban levels of public facilities and services.

- To identify policy choices related to the provision of public services and needs upon annexation.

The Assessment Report provides the framework for further policy discussion on how and when the area is annexed and receives City services.

Section III - Methodology

Draft

A. Area of Evaluation

The area evaluated for this assessment report, commonly referred to as Bull Mountain, is generally comprised of all the unincorporated area north of Beef Bend Road, east of the Urban Growth Boundary, south of Barrows Road and west of 99W. According to the 2000 census, there are 7,300 people in the study area. The area consists of a mix of larger undeveloped lots, large developed lots, and smaller lots built to the minimum densities (generally R-7). The study area was defined in the *2001 Bull Mountain Annexation Study* and consists of approximately 1,430 acres. While some annexations have occurred, they are not reflected in this study. However, the development of these areas was already approved at the time of the *2001 Bull Mountain Annexation Study* and was factored in to the growth projections.

B. Range of Alternatives

Due to the size of the area, growth potential and nature of existing development, the study evaluated nine alternatives: four sub-areas, four combinations of sub-areas and the entire area as a whole. The entire area was divided into the same four sub-areas utilized in the *2001 Bull Mountain Annexation Study* (see Figure 1, next page). Because this report utilized the previous work conducted, the projected population and housing units for each sub-area over time is known and was used in the evaluation. The following is a brief summary of what is known about each sub-area (a more detailed description is located in Appendix B):

North - This area consists of approximately 383 acres and a population of 3,001. It is largely built out with only about 10% of the area identified as vacant or redevelopable. Based on the household growth rate of 2.2% identified by Metro, the *2001 Bull Mountain Annexation Study* estimated that this area will be built out in 4.5 years.

West - This area consists of approximately 259 acres with 944 people. The majority of the area has been developed with large lot subdivisions, which are not expected to be divided further. However, 15.3% of the land in this area is identified as vacant or redevelopable. Based on the 2.2% household growth rate identified by Metro, the *2001 Bull Mountain Annexation Study* estimated that this area will be built out in 6.9 years.

South - This area consists of approximately 507 acres of land and 3,196 people. Many of the subdivisions were developed with large lots that are not expected to be divided further; as a result, this area has about 10.6% vacant or redevelopable land. Based on the 2.2% household growth rate identified by Metro, the *2001 Bull Mountain Annexation Study* estimated that this area will be built out in 4.8 years.

East - This area consists of approximately 282 acres with 544 people. This area has most of the area's growth potential, with almost 40 percent of the land identified as vacant or redevelopable. Based on the 2.2% household growth rate identified by Metro, the *2001 Bull Mountain Annexation Study* estimated that this area will be built out in 18 years. However, recent land purchases in this area and initial discussions with developers indicate that this area could develop much sooner than projected.

** Map based on 2001 City limits

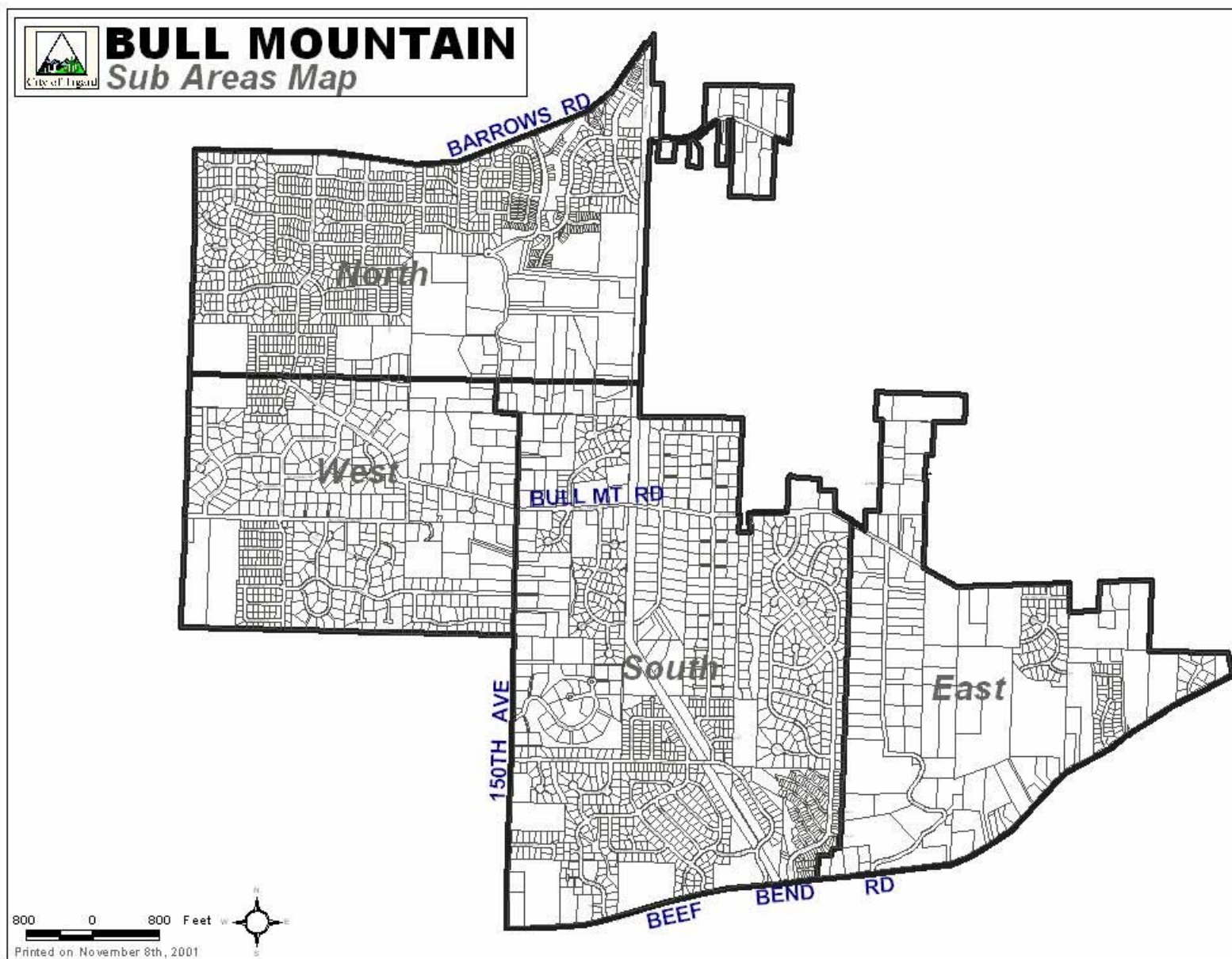


Figure 1

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The information provided for each sub-area from the *2001 Bull Mountain Annexation Study* was utilized to make financial and service need projections to meet the objectives of this assessment report. In addition to the four sub-areas evaluated in the *2001 Bull Mountain Annexation Study*, this report also looked at combinations of 2 areas in order to evaluate impacts to the City to serve larger areas and also to identify if strategic combinations of areas created a more optimal provision of services than single areas alone. Because the possible combinations were countless, combinations were only considered if the areas were contiguous to one another. Four combinations of areas were contiguous:

- South and East
- South and West
- North and South
- North and West

The report also looked at the entire area as a whole to determine the issues that may arise if the area were to annex at the same time. The end result is 9 alternatives.

C. Overview of Evaluation Criteria

To meet the objective of evaluating the efficient and effective provision of services to the Bull Mountain area over time, three criteria were developed:

1. Fiscal

- a. On-going provision of services - how much does it cost to provide on-going services over the long term (2015) versus the revenue that will be collected; and
- b. One-time capital facility needs - how much revenue can be expected to meet the capital needs. This analysis looks at the factor time (and continued development without annexation) has on the City's ability to collect fees to address the anticipated capital needs. Capital need estimates were based on existing Public Facilities Plans and Master Plans.

2. Tigard Service Provision Impacts

- a. Service provision impacts - What would the impact be on existing City services and their ability to meet the historically accepted service levels immediately upon annexation?
 - This factor is temporary in nature because, as funds are collected, additional staff and equipment will be obtained to bring each department up to the desired service levels.
- b. Proximity to City limits/require crossing unincorporated areas to serve - It is more efficient provide municipal services to contiguous area than non-contiguous areas. This avoids out of direction travel and simplifies service provision boundaries. This analysis looks at whether an alternative is adjacent to the City limits and whether service providers would be required to cross unincorporated areas to serve all or a portion of each alternative being evaluated.

3. Relationship to the UGB expansion area

- a. Does the area or combination of areas provide a link to one or both of the UGB expansion areas? By providing a link to the UGB expansion areas, the provision of services to both the Bull Mountain area and the UGB expansion area is more efficient and effective.

The remainder of this report provides more detailed analysis of the factors discussed in this methodology section.

D. Analytical Approach

Each section of the report addresses the two main objectives of the report:

1. Sequence and Timing

In order to evaluate the effectiveness of providing public facilities and services to each alternative (sub-areas), points were assigned to the criteria (i.e., fiscal, service impacts, etc). This provided a method to analyze the effectiveness of providing facilities and services. Ranking resulted from this analysis indicating the most optimal sequence to serve the areas. The “fiscal impacts” category was weighted most heavily with 45 possible points. “Tigard service provision impact” was allocated 30 possible points and “relationship to UGB expansion area” was allocated 20 possible points. An additional category was also included to capture additional considerations, such as publicly owned land with park potential, that didn’t fit into the three main categories. The “Additional Factors” category was allocated 5 points.

2. Policy choices identified

The analysis includes identification of key policy decisions that Council will need to consider. Policy decisions are identified when there is a “gap” in funding of public facilities such as roads, or in providing on-going services, such as street maintenance or police services.

E. Assumptions

In the development of this document, projections were made that were based on the following assumptions

- Assumptions in the *2001 Bull Mountain Annexation study* for population and development were used to estimate the needs for on-going services and capital.
- 2015 population estimates from the *2001 Bull Mountain Annexation Study* were used for on-going services
- All cost estimates are in 2002 dollars
- It is assumed that the entire area would, at some point, annex
- For analysis only, it was assumed that the revenue produced in the Bull Mountain area would go towards costs in the area and money for costs in the area would come only from the revenue generated from the area as opposed to Citywide funds.

Growth has occurred since the *2001 Bull Mountain Annexation Study* was complete. In an effort to continue building upon the original annexation study area projects, the boundaries, population numbers and growth projections were not updated. However, it is believed that the projections and information provided within this report represent an accurate picture of the issues.

Section IV – Analysis of Alternatives

A. Fiscal Analysis

1. General Overview/Approach

In order to evaluate how efficient service-provision will be provided over time, this report looked at the financial implications of annexation. The primary question asked is: Will the needs for public facilities and services in the Bull Mountain area create a financial burden on the City or will the revenues generated in the areas off-set the financial needs?

There are two major funding considerations for the City to determine the financial implications of serving an area:

- Projected impact on on-going provision of services and
- Projected one-time capital investment needs (future/long term)

Below is a brief summary of the two major funding considerations:

- **Projected impact on on-going provision of services**

On-going services are services such as police service, street maintenance and other services that are not one-time investments. The on-going service provision needs are those needed to maintain newly annexed areas at the same level of service as historically provided to the City of Tigard. Are the revenues projected to cover the costs or will the on-going needs exceed that of available funds?

Revenues for on-going services are based on population and other factors, not directly to new development. If growth occurs prior to annexation, revenues will not be lost forever. For this reason, the long term impact of annexation was analyzed for on-going services to insure that annexation did not result in a burden on City services as the areas reach build out.

- **Projected one-time capital facilities needs (future/long term)**

Capital facility needs include major one-time investments such as major road upgrades or park facilities. This report identified the potential capital needs for this area utilizing existing Facilities Plan, Master Plans and/or known or anticipated capital needs. The capital needs are mostly medium to long term needs (6 plus years). Revenues for capital improvements come from the one-time costs associated with new development such as park SDCs, traffic impact fees and sewer connection fees. The *2001 Bull Mountain Annexation Study* projected that revenues do not cover the total anticipated need. The Assessment Report analysis evaluated the factor of how time impacts the projected revenues. This re-evaluates the capital need assumptions by looking only at capital projects that are identified in existing Public Facility Plans or Master Plans. The revenue potential decreases over time if property develops prior to annexation. For this reason, the one-time capital needs analysis factors in the revenue lost over time if annexations are delayed. For analysis purposes only, potential annexations in 2005, 2010 and 2015 were evaluated.

2. Analysis of On-going provision of services

a. Scope of Analysis

This section is intended to evaluate if the projected revenues from each sub-area cover the projected costs for providing on-going services. Do individual sub-areas or the entire area generate sufficient revenue to off-set the cost of providing on-going services? On-going services are any service that requires yearly funding to maintain, such as police service, street maintenance and water. For the fiscal analysis, it was assumed that Tigard will provide services at historic levels. The following table (Table 1) provides a brief summary of the assumptions used by each department liaison who participated in this assessment:

Table 1

Sanitary Sewer	Looked at existing and projected feet of sewer line and estimated needed staff and equipment based on the standard FTE per x feet of line. Also included pro-rated replacement costs for equipment.
Water	Currently providing service for this area so numbers are based on known costs.
Road Quality	Looked at age of existing roads in the area and calculated needs based on projected pavement condition indexes on a sub-area basis.
Street Maint.	Looked at existing lane miles and projected lane miles based on projected housing units in each area. Applied these numbers to the existing cost per lane mile to conduct street maintenance activities (sweeping, checking signs, dust abatement, crack sealing, etc.) Also included pro-rated replacement costs for equipment.
Street Lights	Looked at how much Tigard currently pays per month for lights and estimated that the entire Bull Mountain area represents about 1/5 of the entire City. Each area allocated a certain percent of the estimated area costs.
Parks	Looked at parks planned for in the 1999 Parks System Master Plan. Cost estimates were from the Master Plan with an inflation factor applied. Also included pro-rated replacement costs for equipment.
Police	Assumed 1.5 police officers per 1,000 residents. Also included pro-rated replacement costs for 1 fully equipped vehicle for every 3 officers.
Community Dev.	Assumed one additional long range planner was needed for the entire area. Each sub-area was allocated .25 new staff.
Storm Sewer	Looked at existing and projected feet of sewer line and estimated needed staff and equipment based on the standard FTE per x feet of line. Also included pro-rated replacement costs for equipment.

For on-going service cost projections and revenue projections, the 2015 population and dwelling unit estimates were used to determine what the long-term financial impacts would be for the City. In the East and West sub-areas, full build out is not projected to be reached by 2015, however, it provides a better picture of the on-going service needs each area will require and the ability of the City to fund those needs. The tables in Appendix C show the 2015 projected service costs for each area and the 2015 revenues for each area. Table 2, below shows the difference between the costs of providing on-going services and revenues for each sub-area.

Estimated 2015 Revenues versus Costs for on-going services **Table 2**

Sub-areas	North	East	South	West
Sanitary Sewer	\$41,600	\$8,600	\$49,700	\$13,600
Water	(\$70,900)	(\$77,200)	(\$69,600)	(\$41,900)
Gas Tax: • Road Quality Maintenance • Street Maintenance • Street Lights	(\$1,200)	(\$19,600)	(\$70,500)	(\$236,400)
General Fund: • Parks and Open Spaces • Police • Community Development	\$324,500	\$474,500	\$471,200	\$330,700
Storm Sewer	(\$1,700)	(\$300)	(\$100)	(\$1,200)

Table 2 shows that, in all areas, several funds do not have enough revenues to cover the cost of providing service at current Tigard standards, however, the net result in each area is that the **total** revenues exceed the **total** on-going service provision costs. The Storm Sewer and Water funds are intended to be self-sufficient. Fees can and should be raised as needed to ensure that there are adequate funds to pay for on-going services. Currently the storm sewer and water funds have sufficient fund balances to meet anticipated needs. Should fund balances decrease significantly, citywide, fees could be increased to address the needs.

Gas Tax rates are set by the state legislature. Throughout the City, Gas Tax Fund revenues have not been keeping pace with service provision costs. This is the case in the Bull Mountain area as well. The Gas Tax funds pay for road maintenance (widening, re-pavement, etc.), street maintenance (sweeping, pot hole repairs, etc.) and street lights. As Council looks at potential solutions to the Gas Tax deficit issues, citywide, one option they may consider is using General Fund revenues to subsidize the Gas Tax Fund deficiencies. The proposed street maintenance fee, if approved, would also help off-set the Gas Tax Fund deficits. If a citywide solution to the Gas Tax Fund needs is not found, the list of projects will continue to grow longer and longer.

In 2015 the total General Fund balance for all areas combined is 1.74 million. Based on the 2015 projections, it could be concluded that there would also be sufficient revenues to provide for the on-going services if the area were to be annexed prior to 2015. If the entire area were annexed earlier than 2015, it may be possible to use the additional revenues to off-set or finance the anticipated capital needs.

b. Conclusions for on-going provision of services

i. ***Time and sequence***

- For on-going services, the long term projections indicate that overall, the revenues exceed the costs of providing on-going services for all areas evaluated.
- There would also be sufficient revenue to provide on-going services if the entire area (or portions) were to annex prior to 2015. It may be possible to use the additional revenues anticipated to off-set some of the anticipated capital needs.
- Water and storm funds do not cover the costs of providing on-going services based on current rate projections. If needed, fees can and should be raised so that, citywide, the funds are self-sufficient.
- The Gas Tax Fund is projected to have a deficit in all areas and will not be able to provide all Gas Tax Funded services.
- The total 2015 General Fund revenue for all areas combined is 1.74 million.

ii. ***Council Policy choices for on-going services***

The analysis shows that, with all funds combined, the projected 2015 Bull Mountain populations can be provided City of Tigard services at existing service levels. While some funds do see deficiencies over time, most are fee driven and the fees will be adjusted to accommodate the projected on-going service needs.

A policy choice is needed related to the projected deficiencies in the Gas Tax fund. The choices identified include:

- The General Fund surplus could be used to subsidize the Gas Tax needs; and/or
- The Street Maintenance fee could be instituted which will provide needed funding which would help off-set the Gas Tax Fund deficit; and/or
- The standards could be further reduced for the Gas Tax Fund services citywide. However, over the long-term, maintenance cost savings will not be realized due to the higher cost to replace versus maintain.

3. Projected one-time capital facility needs (future/long term needs)

a. Scope of Analysis

This section looks at the anticipated capital needs of the Bull Mountain area and the impact time has on the ability to collect funds to address those needs.

Capital needs include park land acquisition, major road improvements, and new storm sewer facilities to address capacity. While Facility Plans cover the entire urban services area and are used to calculate System Development Charges (SDCs), the City's Capital Improvement Plan does not include unincorporated areas. Capital projects for Bull Mountain are not included in Tigard's Capital Improvement Plan (CIP) because the area is not in the City limits. To determine what the funding needs are for this area, the Assessment Report looked at existing plans to determine needed improvements, potential timing and estimated costs.

Table 3

Estimated capital needs by sub-area (short to long term)	
North	5.2 Million
East	13.3 Million
South	8.3 Million
West	8.9 Million
Total	35.7

Typically, through the Capital Improvement Program process, priorities are made and funding is granted to the projects with the greatest need. The same process would be used in the Bull Mountain area. Bull Mountain estimated capital improvement needs total almost \$36 million. The east section requires the most improvements (it also has the greatest percentage of estimated revenue to cover the anticipated costs). Water-related projects are not included in this total, since the Tigard Water Division already

administers this area and will continue to, regardless of annexation. Table 3, to the right, shows the total estimated capital needs for each sub-area. While the \$36 million estimated need may seem high, it needs to be kept in perspective. Most jurisdictions (including the City of Tigard) have needs that exceed their revenues. Through the Capital Improvement Program (CIP) process, priorities are made and funding is granted to the projects with the greatest need. The same process would be used in the Bull Mountain area.

The majority of funding for Capital facilities is tied to growth. Once growth subsides, growth-based capital funding mechanisms cease functioning to collect funds. Alternative funding sources are required, such as utilizing the general fund or applying for grants. Bull Mountain can absorb only a finite amount of growth. It is necessary to evaluate the capital needs and the impact the timing of annexation has on the ability to efficiently and effectively provide for those needs.

System Development Charges (SDCs) are collected at the time of development for parks, roads, water, and sanitary and storm sewer. These SDCs are one-time capital revenues tied to growth. If growth occurs, prior to annexation, some of the one-time capital revenues will not be available to Tigard to provide for the needs in this area. While Washington County and other service providers may collect funds, there is no guarantee that the funds collected will be used in the Bull Mountain area (with the exception of Traffic Impact Fee (TIF) funds). There are two reasons: 1) the County and/or service district has a large number of projects from which to prioritize distribution of funds, and 2) many of the potential projects will not be needed until the area will be Tigard's responsibility.

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Table 4, below, provides a summary of the capital funds and the type of improvement that could be funded:

Table 4

Sanitary Sewer	SDCs pay for major new line and line replacement to increase the system capacity.
Water	SDCs pay for new line and major line replacement to pay for new capacity, revenues pay to replace existing infrastructure.
Traffic Impact Fee (TIF)	Pays for TIF eligible arterial and collector road improvements to bring them up to standard. Also pays for traffic flow and safety improvements such as traffic signals, intersection improvements, etc.
Park SDC	Pays for acquisition and development pf park land.
Storm Sewer	SDCs are used for capacity improvements to the drainage system such as culverts for streets crossing streams and replacing bridges to increase floodwater capacity.
Gas Tax	If funds are available, they could be used to bring any road up to standard, pays for street lights, etc. Gas Tax Funds are very limited.

Table 5 illustrates how each fund source decreases over time. In addition, the majority of capital improvements needed in each area are projected to be needed in the medium to long term (6 plus years). At issue is whether the City will have the capital funds necessary to address the area's long term capital needs. As the area continues to develop outside Tigard's City limits, the City loses the ability to provide for capital needs.

It is important to note that parks are urban amenities provided by Tigard. The County does not have a method for addressing needed park facilities for the Bull Mountain area. Table 5 also illustrates the potential park SDCs that would be collected if the area develops in the Tigard City limits.

Table 5

North	2005	2010	2015
Sanitary sewer	190,200	0	0
Water	161,200	0	0
TIF	178,500	0	0
Park SDCs	129,600	0	0
WACO street CIP cost sharing	(12,500)	(12,500)	(12,500)
Storm Sewer	39,500	0	0
East	2005	2010	2015
Sanitary sewer	505,600	440,600	365,900
Water	428,600	373,500	310,200
TIF	474,600	413,600	343,500
Park SDCs	344,400	300,100	249,300
WACO street CIP cost sharing	(12,500)	(12,500)	(12,500)
Storm Sewer	105,000	91,500	76,000
South	2005	2010	2015
Sanitary sewer	260,000	0	0
Water	220,400	0	0
TIF	244,100	0	0
Park SDCs	177,100	0	0
WACO street CIP cost sharing	(12,500)	(12,500)	(12,500)
Storm Sewer	54,000	0	0
West	2005	2010	2015
Sanitary sewer	363,500	262,400	151,700
Water	308,200	222,500	128,600
TIF	341,300	246,300	142,400
Park SDCs	247,600	178,800	103,300
WACO street CIP cost sharing	(12,500)	(12,500)	(12,500)
Storm Sewer	75,500	54,500	31,500

b. Conclusions for one-time capital needs

i. ***Time and Sequence***

- The Bull Mountain Area has estimated capital improvement needs totaling approximately \$36 million.
- Some areas have greater capital needs than others, such as East which has 13.3 million in identified capital needs as compared to the North, which has only 5.2 million in capital needs.
- In order for the City to maximize the available funds in the Bull Mountain area for capital needs, annexation of all areas should occur by 2005 to maximize potential financial contributions. With each incremental annexation delay, contributions are lessened or eliminated entirely. After 2010, the North and South are projected to provide no capital revenues.
- Assuming annexation does not occur and current growth rates continue; by 2010, 25.6% of the capital funds projected for 2005 will not be available to Tigard. 45.6% will not be available if annexation occurs in 2015.

ii. ***Council Policy choices for one-time capital needs***

- As with existing capital needs in the City of Tigard, the potential funding does not cover all of the capital needs in this area. There are several options available for Council to consider which would help off-set the funding needs. These are:
 - Modify existing plans to anticipated funding levels
 - Raise fees (Increase fees like SDC's and/or apply for grant funds to help off-set park funding deficiencies)
 - Use other funding source to off-set capital needs (General Fund)
- Immediate policy action is needed to help ensure as much growth based revenue is collected as possible.

B. Analysis of Service Provision Impacts

1. Scope of Analysis

Regardless of whether annexation is efficient from a fiscal standpoint, the Bull Mountain area must be able to be served by City services without a noticeable reduction in existing service levels, even in the short term, to Tigard residents. This report has identified in the fiscal analysis section that, over the long-term, existing service levels can be provided to the Bull Mountain area.

The objective of this section is to analyze Tigard's initial ability to provide service to the unincorporated Bull Mountain area immediately upon annexation with no upfront hiring and equipment purchases. This was done to understand the impacts of a phased/sequential annexation versus annexation of the total area. Three factors were looked at:

- Short term service provision impacts,
- Proximity to the City limits, and
- Need to cross unincorporated areas to provide service.

a. Short Term Service Provision impacts

The City of Tigard service providers are Water, Sanitary and Storm Sewer, Street Maintenance, Parks, and Police. They were asked which of the nine possible annexation scenarios could be absorbed with the existing staff and equipment until additional hiring and equipment purchases could occur. A summary of their reports is provided in Appendix D. Based on the information provided, the following is a summary of the impacts immediately upon annexation:

- All service providers except Public Works –Streets Division and Police, could temporarily absorb any or all areas annexed using existing crews, until additional staff could be hired and additional equipment purchased.
- The Police Department could absorb any or all areas with a reduction only in response time to priority 3 (lowest priority, no one in danger) calls.
- The Streets Division could absorb any one area (north, south, east or west) but could not absorb more than one area without additional staff being hired up front. As an alternative, major reduction in services citywide would be necessary until additional staff could be hired and equipment purchased.
- Additional funding would be necessary to provide for all the Gas Tax Fund services (street maintenance, road maintenance, and street lights). Some sub-areas have less Gas Tax fund deficits than others. North has the least deficit in Gas Tax Funds (\$1,200 deficit), and West has the largest deficit (\$236,400).

b. Proximity to City Limits

Providing service to an area that is not adjacent to the City limits, creates confusion and can result in longer response times for emergency service. If an area is not adjacent to the City limits, under current Comprehensive Plan standards, the area can not be annexed into the City. Cherry stem annexations (annexing the right of way to get to a non-contiguous parcel) may be an option, however, it would likely result in a boundary

that is not uniform and could cause confusion regarding who the service provider is and could cause service delays in an emergency situation.

- All areas and combinations of areas, except West, are adjacent to the City limits.

c. Require crossing unincorporated areas to serve

In order to provide service to an area that requires crossing unincorporated areas, efficiency is lost and the potential for confusion to the service provider and potential of reduction in response times in emergency service increases. Therefore, it is preferable to avoid primarily traveling through an unincorporated area to serve parcels in the City of Tigard. The following is a summary of how each sub-area or combination of sub-areas relates to the city limits:

- North, East, South & East and the alternative “ALL areas” do not require crossing through unincorporated areas to serve.
- South, North & West, North & South and South & West require crossing unincorporated areas to serve some portions.
- West requires crossing unincorporated areas to serve.

2. Conclusions for Service Provision Impacts

a. Time and sequence

- Because of the limited impact on services and the proximity to the City limits, the North area (based on the technical ranking scores discussed further in this assessment report) provides the least impact on service provision immediately upon annexation.
- The West area appears to provide the greatest impact on service provision because it is not adjacent to City limits, would require crossing unincorporated areas to service, and has limited gas tax funds projected to serve the gas tax needs.
- The following is a list of all scenarios evaluated in order from least impact to greatest impact on service delivery:
 - North
 - East
 - South
 - All areas/South & East
 - North & South
 - North & West/South & West, and
 - West

b. Council Policy Choice

Because of the potential service provision impacts if the entire area or a combination of 2 areas were annexed at one time, Council must make a policy choice if one of those options were desired. There are several options to address the efficiency of service issues:

- Delayed effective date for portions of the area.
- Authorize funds up front to hire staff and purchase equipment prior to the effective date.
- Negotiate agreements with the County to provide short-term assistance until Tigard service providers are fully staffed.
- Accept citywide reduction in service levels for a period of time.

C. Relationship to the Urban Growth Boundary Expansion

1. Scope of Analysis

Metro is charged with establishing the Urban Growth Boundary (UGB) to accommodate the projected housing and employment needs in the region. After much research, public involvement and analysis, the Metro Council adopted an expansion to the UGB that included several specific areas throughout the region.

Two areas adjacent to the Bull Mountain area (63 and 64) have been determined to be suitable for urban development and inclusion within Tigard's urban services area. Both areas are approximately 480 acres in size. Figure 2 identifies the UGB expansion areas. Metro estimates 1,735 residential units can be accommodated in these areas which will require urban levels of facilities and services. Development of these areas will impact Tigard and the Bull Mountain area. The development in the Bull Mountain area, in turn, impacts how and when the UGB expansion areas can develop. Therefore, consideration of expansions of the Urban Growth Boundary is needed.

The two areas are rural in nature and do not have extensive road or public infrastructure. The size of individual parcels, overall configuration, and location of the two areas complicates existing and planned transportation needs. Neither area is likely to develop as "balanced" and distinct communities. Integration with the existing Bull Mountain areas will be necessary so that they can be planned to complement and enhance the Bull Mountain community and each other.

The evaluation looks at whether a sub-area or combination of sub-areas provides a link between the City and one or both of the UGB expansion areas. For example: The West sub-area is adjacent to both UGB expansion areas but is not adjacent to the City limits. When combined with the South, however, it is adjacent to both UGB expansion areas and, together, there is a link to the City limits.

2. Conclusions for relationship to the UGB

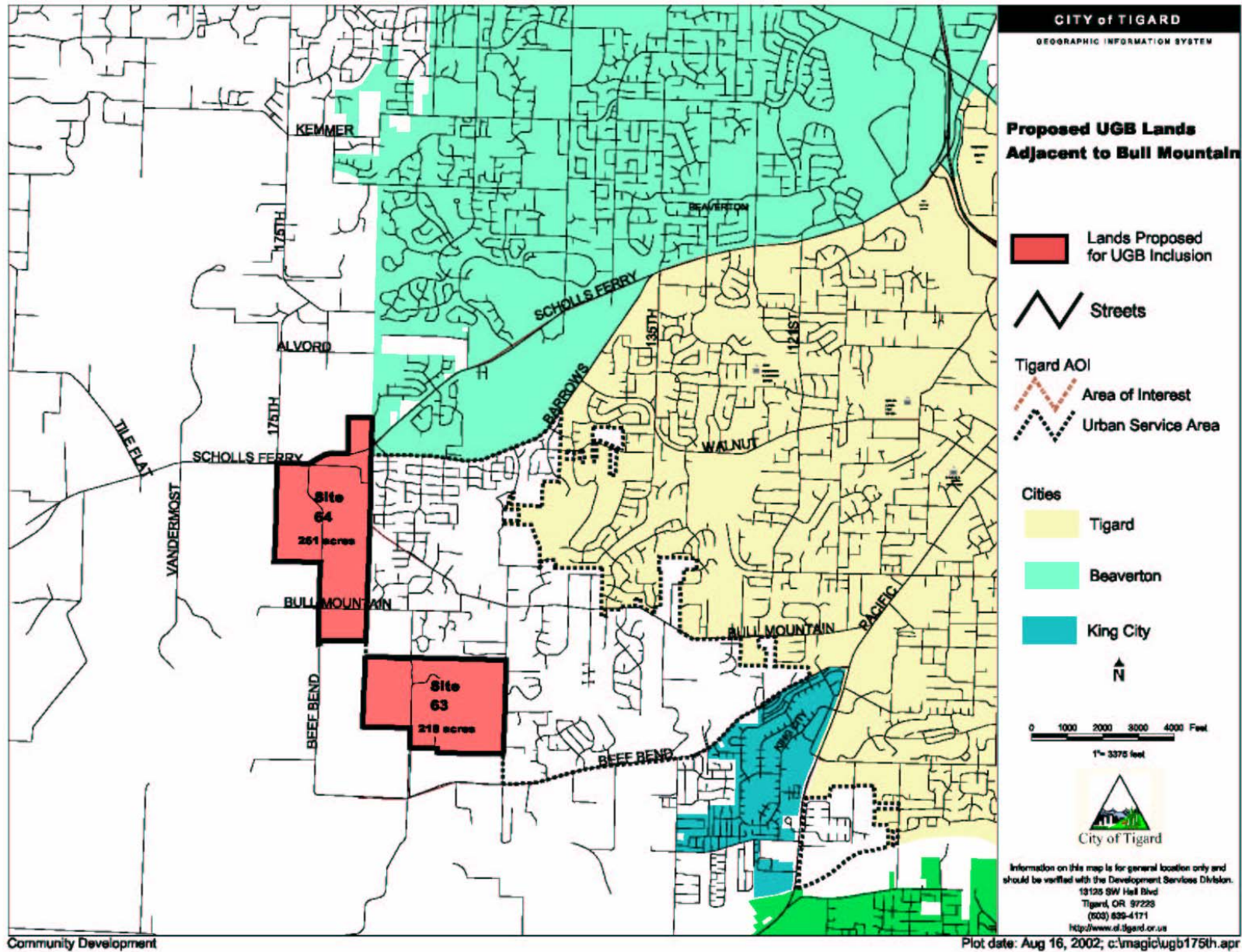
a. Time and sequence

- A combination of areas including the North and West, North and South, South and West, or All sub-areas provides connections to both UGB expansion areas.
- No single area alone provides adequate connections to both UGB expansion areas.
- The north sub-area provides connection to the northern most UGB expansion area.
- The south sub-area provides a connection to the southern most UGB expansion area.

b. Policy choices

- Should the UGB expansion areas develop as two distinct, separate communities?
- Should the UGB expansion areas be integrated with Bull Mountain?
- How does the City provide efficient and effective services to these areas?

Figure 2



Community Development

Section V – Summary of Conclusions

A. Timing and Sequence

Regardless of how and when annexation occurs, there will be gaps in certain funds compared to the on-going service and capital needs. The longer the time before annexation, the less capital revenues are available to Tigard. Based on the analysis in this report, the following was concluded:

1. Summary of analysis

The previous sections discussed the evaluation factors in detail and the information from those sections was used in the analysis to apply point values to each alternative as it relates to the evaluation factors. A copy of the detailed evaluation chart is provided in Appendix E. A summary of the results is provided below:

The following is a summary of how each **individual sub-area** ranked:

Table 6

	Financial Impacts (45 possible pts)	Tigard Service Provision Impacts (30 possible pts)	Relationship to the UGB (20 possible pts)	Additional Factors (5 possible pts)	All criteria considered (100 possible pts)
Ranking	(25 pts) East	(30 pts) North	(tied 10 pts each) North and South	(tied 5 pts each) North and East	(60 pts) South
	(20 pts) South	(28 pts) East			(58 pts) East
	(15 pts) West	(25 pts) South	(tied 0 pts each) West and East	(tied 0 pts each) West and South	(55 pts) North
	(10 pts) North	(10 pts) West			(25 pts) West

The following is a summary of how each **combination of areas** ranked

Table 7

	Financial Impacts (45 possible pts)	Tigard Service Provision Impacts (30 possible pts)	Relationship to the UGB (20 possible pts)	Additional Factors (5 possible pts)	All criteria considered (100 possible pts)
Ranking	(35 pts) South & East	(23 pts) South & East	(tied 20 pts each) North & West, South & West, and North & South	(tied 5 pts each) North & West, South & East and North & South	(77 pts) North & South
	(30 pts) North & South	(32 pts) North & South			(73 pts) South and East
	(25 pts) South & West	(tied 20 pts each) North & West and South & West			(tied 65 pts each) North & West and South & West
	(20 pts) North & West		(10 pts) South & East	(0 pts) South & West	

The following is a summary of how the alternative “**All areas**” combined ranked

Table 8

	Financial Impacts (45 possible pts)	Tigard Service Provision Impacts (30 possible pts)	Relationship to the UGB (20 possible pts)	Additional Factors (5 possible pts)	All criteria considered (100 possible pts)
	40	23	20	5	88

2. Summary of Conclusions for Timing and Sequence

- The South area ranked highest of the single sub-areas with 60 points primarily because it provides revenues with minimal costs and creates a link to the UGB expansion areas.
- The West area ranked the lowest of all scenarios with 25 points primarily because, if annexed alone, it would create impacts to the provision of services and would not provide a link to the UGB expansion areas.
- North and South is the combination of two areas that received the highest ranking with 77 points. Together they provide revenue with minimal costs, have park land potential, create few service provision impacts, and provide a link with both UGB expansion areas.
- The alternative “All areas” combined received the highest points (88 points) and was ranked the highest in each category except “Tigard Service Provision Impacts”.

B. Policy Choices

1. Council policy choices for on-going services

Prior to annexation, the Gas Tax Fund deficit issue must be addressed. Potential policy choices identified for Council include:

- The General Fund surplus could be used to subsidize the gas tax needs; and/or
- The Street Maintenance fee could be instituted which will provide much of the needed funding and would help off-set the Gas Tax Fund deficit; or
- The standards could be reduced for the Gas Tax Fund services citywide. However, over the long-term, maintenance cost savings will not be realized due to the higher cost to replace versus maintain.

2. Council policy choices for capital improvements

- The potential funding does not cover all of the capital needs in this area. There are several options available to Council to consider which would help off-set the funding needs:
 - Modify existing plans to anticipated funding levels;
 - Raise fees (Increase fees like SDCs and/or apply for grant funds to help off-set park funding deficiencies); or
 - Use other funding source to off-set capital needs.
- Immediate policy action is needed to help ensure as much growth based revenue is collected as possible

3. Council policy choice for service provision impact upon annexation

Annexation of the entire Bull Mountain area at one time impacts service delivery due to increased staffing and equipment needs. To address this issue, several options exist:

- Delay the annexation effective date for portions of the Bull Mountain area;
- Authorize funds up front to hire staff and purchase equipment prior to the effective date;
- Negotiate agreements with the County to provide short-term assistance until Tigard service providers are fully staffed; or
- Accept short-term, citywide reduction in service levels until staff and equipment are up to standard levels.

4. Council Policy choice for UGB

Council must determine how the UGB will be integrated into the community and what approach should be taken:

- Continue existing trend of County controlling development in unincorporated areas;
- Use annexation and coordination as a growth management tool;
- How do we ensure that we can provide efficient and effective services to the UGB expansion areas?

Appendix – Additional information

- A. Chronology of Coordination in Unincorporated Areas
- B. Study Area Profile (from 2001 Bull Mountain Annexation Study)
- C. On-Going Service Costs and Revenues
- D. Tigard Service Provision Impacts Summaries by Department
- E. Evaluation Criteria Tables
- F. Change in Service Levels between County and City

Chronology of coordination in unincorporated areas

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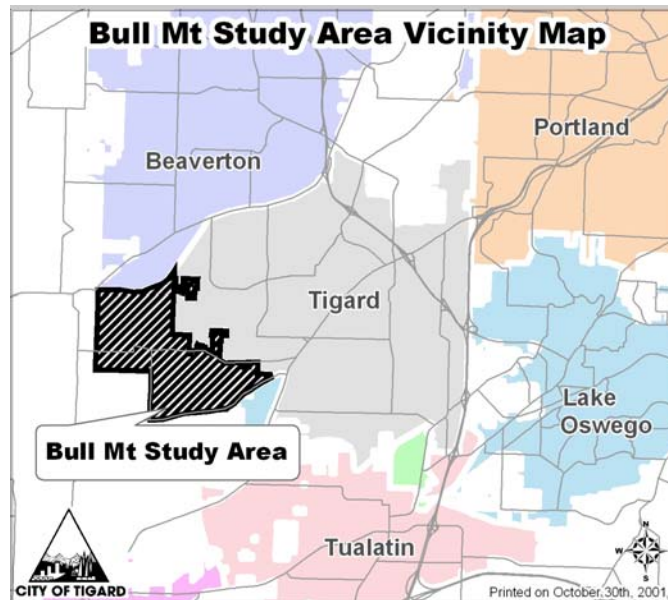
1973	<u>Statewide Planning Goals</u> and Guidelines established, setting the foundation for land use planning in Oregon.
1983	<u>Comprehensive Plan adopted</u> with specific policies regarding annexation. Sets framework for all future annexation efforts.
1988	<u>Urban Planning Area Agreement</u> signed between Tigard and Washington County to ensure coordinated and consistent comprehensive plans. The UPAA defined a site specific urban planning area, a process for coordinating planning, and policies regarding comprehensive planning and development.
1993	<u>Senate Bill 122 passed by the State Legislature</u> , requires the coordination and provision of urban services for lands within the Urban Growth Boundary.
1997	<u>Tigard and Washington County entered into an Intergovernmental Agreement</u> that transferred land development, engineering review and building permit activity to the City.
March 2001	<u>The Tigard City Council establishes a goal</u> to establish an annexation policy for non-island areas, such as Bull Mountain and began to study the feasibility of annexing the Bull Mountain area.
July 2001	<u>The City and County meet with Bull Mountain residents</u> to identify questions which influence the scope of <i>The Bull Mountain Annexation Study</i> .
Nov., 2001	<u>City finalizes Bull Mountain Annexation Study</u> .
Jan., 2002	<u>Study conclusions presented</u> to a group of Bull Mountain residents. A survey is suggested as a means to get input from a representative sample of the area.
July 2002	<u>Public opinion poll conducted</u> of Bull Mountain and Tigard residents by phone.
August 2002	<u>Tigard Council examines the survey results</u> and considers three annexation policy alternatives. Council considers a resolution to initiate an Annexation Plan, however the motion does not pass.
Oct 2002 – May 2003	<u>Public facilities and Services Assessment Report developed</u> for Council to assist in making annexation policy decisions that come up.
Nov, 2002	<u>Council approves signing the SB 122 required Urban Service Agreements</u> which spell out what urban services Tigard will be the ultimate provider of.

Study Areas Profile from 2001 Bull Mountain Annexation Study

The area identified in the Bull Mountain Study consists of approximately 1,430 acres of land located west of the City of Tigard (see map below) in Washington County, within the Urban Growth Boundary (UGB). The Study Area abuts Beaverton and Tigard on the north and east, respectively, King City to the southeast, and unincorporated County land outside the Urban Growth Boundary to the south and west.

Figure 1

The land in the Study Area is sloped—steeply in some areas—allowing for views at higher elevations. Traditionally a farming area, the last decade brought additional home developments to the area. Today, both farms and subdivisions co-exist here. Although the identified area is now outside the City limits, the City of Tigard provides many urban services to residents. In 1997, the City of Tigard and Washington County entered into an Urban Services Agreement, which transferred responsibility for land use decisions, building and development-related engineering to the City of Tigard. The County adopted the City of Tigard Community Development Code for the Bull Mountain area, which applies standards to any new development in the area.¹



At the time the Bull mountain Annexation study was completed (November 2001), approximately 7,300 people lived in the Study Area, according to 2000 Census data. There is no commercial or industrial zoned land in the Study Area. Most of the property is zoned R-7, a medium density residential zone requiring lots of a minimum of 5,000 square feet. The area consists of a combination of (1) a mix of larger undeveloped lots, (2) larger lots developed through the County under different standards, and (3) smaller lots that are built to the minimum density allowed under the current zoning regulations.

The sub-area descriptions below represent the sub-area development assumptions utilized for this plan.

North

This sub area is located south of Barrows Road, north of Baker Lane and Roshak Road, east of the urban growth boundary and west of the Bonneville Power Administration (BPA) easement line. The North area consists of approximately 383 acres and a population of 3,001. This area has a combination of R-7, R-12 and R-25 zoning; however, all of the higher-density (R-25) residential lots were developed as single-family home subdivisions. While there are several larger

lots, there are very few redevelopable or vacant lots in this area due to steep slopes. This area is largely built out with only about 10% of the area identified as vacant or redevelopable. Based on the household growth rate of 2.2% identified by Metro, it is estimated that this area will be built out in 4.5 years.

West

The western sub area is bordered on the south and west by the Urban Growth Boundary. It is bordered on the east by SW 150th and to the north by Roshak Road and Baker Lane. The western area consists of approximately 259 acres with 944 people. The majority of the area has been developed with large lot subdivisions, which are not expected to be divided further. However, 15.3% of the land in this area is identified as vacant or redevelopable. The zoning in this area is R-7 (medium density residential). Based on the 2.2% household growth rate identified by Metro, it is estimated that this area will be built out in 6.9 years.

South

This sub area is generally located west of SW Peachtree, east of SW 150th, north of Beef Bend Road and south of High Tor Drive. The southern area consists of approximately 507 acres of land and 3,196 people. The zoning is primarily R-7 (medium density residential) with a small portion of R-25 (medium-high density residential) to the south between Foxglove #2 subdivision and Beef Bend Heights. Many of the subdivisions were developed with large lots that are not expected to be divided further; as a result, this area has larger lots with only limited infill potential. This area has about 10.6% vacant or redevelopable land. Based on the 2.2% household growth rate identified by Metro, it is estimated that this area will be built out in 4.8 years.

East

This area is generally located east of the Mountain Gate subdivision, south of Bull Mountain Road and north of Beef Bend Road. The eastern area consists of approximately 282 acres with 544 people. This area has most of the Study Area's growth potential, with almost 40 percent of the land identified as vacant or redevelopable. The zoning is R-7, which calls for a minimum lot size of 5,000 square feet. Based on the 2.2% household growth rate identified by Metro, it is estimated that this area will be built out in 18 years. However, recent land purchases in this area and initial discussions with developers indicate that this area will develop much sooner than projected.

On-Going Service Costs and Revenues

Estimated 2015 cost (in 2002 dollars) to provide services at City standards by sub area

Table 1	North	East	South	West
Sanitary sewer	\$47,200	\$13,600	\$51,900	\$20,000
Water	\$343,500	\$145,500	\$381,700	\$145,200
Road quality maintenance	\$76,800	\$15,600	\$143,000	\$240,000
Street Maintenance	\$47,900	\$20,400	\$66,900	\$34,700
Street lights	\$20,200	\$13,400	\$20,200	\$13,400
Parks and Open spaces	\$6,100	\$57,600	\$18,100	\$18,100
Police	\$479,400	\$166,100	\$557,700	\$244,400
Community Development	\$20,000	\$20,000	\$20,000	\$20,000
Storm Sewer	\$44,400	\$11,000	\$49,000	\$17,400

The numbers in the above chart have been refined and updated from the estimates provided for in the *Bull Mountain Annexation Study (November 2001)*. While the 2001 *Bull Mountain Annexation Study* provided broad brush estimates, the estimates provided here are based on detailed analysis of the population projections, and include staff, equipment and equipment replacement costs. In addition, the estimates from the *Bull Mountain Annexation Study (November 2001)* were based on 2000 population and did not project the financial implications time, and increased populations, had on the cost to provide services.

Estimated 2015 Revenues to support on-going services

Table 2	North	East	South	West
Sanitary sewer	\$88,800	\$22,200	\$101,600	\$33,600
Water	\$272,600	\$68,300	\$312,100	\$103,300
Gas Tax:	\$143,700	\$29,800	\$159,600	\$51,700
• Road quality maintenance				
• Street Maintenance				
• Street lights				
General Fund:	\$830,000	\$718,200	\$1,067,000	\$613,200
• Parks and Open spaces				
• Police				
• Community Development				
Storm Sewer	\$42,700	\$10,700	\$48,900	\$16,200

Tigard Service Provision Impacts Summaries by Department

Police

Urban Services currently provided by Tigard: Currently Tigard responds to 911 priority 1 and 2 calls if they have an officer closer than a Washington County patrol officer. In many cases, this means Tigard is the first responder, secures the scene and waits for a Washington County Officer to take over the scene. This agreement occurs between all law enforcement offices in the State. Tigard does not currently have data on the number of calls they respond to in the Bull Mountain area, because when any officer arrives on the scene, the 911 system does not distinguish what jurisdiction responded, only that an officer responded. Beginning in May, 2003 Tigard began tracking these calls, so that we will be able to compile data on the number and types of calls we respond to in this area. The bottom line is that this area is receiving some Tigard police services without paying City taxes.

Impact of providing services immediately upon annexation: The Police department has estimated that if any or all areas were annexed, the existing staff could absorb that area without a significant reduction in service levels until additional employees can be hired and fully trained to bring the department up to the standard of 1.5 officers per 1000 residents. The response time for priority 1 and 2 calls would not be noticeably reduced, however, until the department could be fully staffed, there would be a slight reduction in response times to priority 3 calls. Priority 3 calls are calls where no one is in danger (car broken into, loud noise, etc) but an officer is needed to take a report. The more people annexed at one time, the higher the demand on police services and the greater the chance that there would be a reduction in response time to these lower priority calls.

Parks

Urban Services currently provided by Tigard: None

Impact of providing services immediately upon annexation: Tigard owns Cache Creek, however it is intended to be a nature park/preserve and is not developed. Because there are no developed parks in the Bull Mountain area, immediately upon annexation, there will be no requirement to provide park maintenance services. As parks are purchased and developed, equipment and staff will be acquired to insure that maintenance is provided in accordance with Tigard City standards.

Water

Urban Services currently provided by Tigard: See Below

Impact of providing services immediately upon annexation: The City of Tigard provides water service to the Bull Mountain area already through an intergovernmental agreement with the Tigard Water District. The only change that will occur if the Bull Mountain area is annexed is that it will technically be withdrawn from the Tigard Water District and included in the City of Tigard Water Division. Because the area is already being served, there is no issue with when

Draft

and how the Bull Mountain area annexes that would affect the efficiency or effectiveness of service.

Sanitary and Storm Sewer

Urban Services currently provided by Tigard: Tigard does not currently provide storm or sanitary sewer services to the Bull Mountain area. However, Tigard recently entered into an intergovernmental agreement with Clean Water Services that stipulates Tigard will begin providing maintenance services to this area effective July 1, 2004.

Impact of providing services immediately upon annexation: While these services are based in different funds, they utilize similar equipment and staff. The Public Works department has indicated that all areas alone or in combination with one other area could be maintained immediately upon annexation, by stretching the current work crew, until additional equipment and staff could be acquired.

Street Maintenance

Urban Services currently provided by Tigard: None

Impact of providing services immediately upon annexation: Street maintenance includes: sweeping 12 times per year, checking all signs annually, yearly dust abatement for gravel roads, 5 year cycle to replace street markings, 4 year cycle for crack sealing and road shoulders, and other maintenance as needed. Because of the equipment and staff needed to perform these tasks, the Public Works Department has stated that any one sub-area annexed alone could be temporarily absorbed by the existing staff and equipment. While services would be reduced, it would not be to the extent that roads would be neglected. However, if more than one area were annexed, service levels would be significantly reduced citywide until additional staff and equipment could be obtained to meet the added demand.

Road Maintenance

Urban Services currently provided by Tigard: None

Impact of providing services immediately upon annexation: Road maintenance includes things like overlay or slurry seal on roads with poor pavement condition, pavement widening, etc. Many roads in the Bull Mountain area are new and will not require road maintenance for many years. Per the Urban Services Agreement signed in 2002, prior to transferring roads to Tigard, the County shall make needed roadway improvements so that all individual roads have a pavement condition index (PCI) of 40 or greater and the average PCI of streets and roads in the area is 75 or higher. Finally, costs to do road maintenance are programmed based on available funding and construction is contracted out. For these reasons, annexation of the entire area (or combinations) will not result in a reduction of services for Tigard residents and service will continue to be effectively provided.

Street Light Maintenance

Urban Services currently provided by Tigard: None

Impact of providing services immediately upon annexation: Street light maintenance involves paying electricity, lamp replacement and pole maintenance for existing street lights. Service in the study areas is currently assessed to the property owner. Upon annexation, maintenance is provided by the City and the property owner assessment would go away. Engineering staff has estimated that it will cost approximately \$5,600 per month for the entire Bull Mountain area. Street lights are funded through gas tax. Because street light costs are paid to PGE, there is no ability to reduce service levels (short of turning off lights) however, the need to fund this service will reduce Gas Tax Funds that could be used for other Gas Tax Funded services.

Evaluation criteria (100 pts)	North	West	South	East	N&W	S&E	N&S	S&W	All
Tigard Service Provision Impact (30 pts)									
Adjacent to City limits	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<p>If area is annexed alone, can it be fully served without significantly decreasing current City service levels immediately upon annexation? *Water, Sanitary sewer and storm sewer are not evaluated since they already serve this area. Road maintenance is not included because major projects have to be programmed into the CIP and will not be needed immediately upon annexation. Parks maintenance is not included because there are no developed parks properties to maintain.</p> <p style="text-align: center;">Draft</p>									
▪ Police	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
▪ Street maintenance (PW)	Yes	Yes	Yes	Yes	No	No	No	No	No
▪ Street light maint. (% of gas tax revenues that cover gas tax needs)	99%	18%	69%	60%	45%	67%	80%	40%	54%
Would service provision of this area require crossing an area that is unincorporated?	No	Yes	Part.	No	Part.	No	Part.	Part.	No
Relationship to UGB expansion area (20 pts)									
Provides link to UGB area	Yes - 1	No	Yes - 1	No	Yes-2	Yes-1	Yes-2	Yes-2	Yes-2
Financial impacts (45 pts)									
Total Tax Revenues (for on-going services) vs. Total on-going costs - 2015	292,256	64,670	380,711	386,111	356,926	766,822	672,967	445,381	1,123,748
% of capital needs covered by revenues (includes all capital funds) – 2005 annexation	7.8%	10.6%	8.6%	9.9%	9.6%	9.4%	8.3%	9.7%	9.5%
Additional growth potential (difference between existing(baseline) dwelling units and projected build-out dwelling units	237	173	251	549	410	800	488	424	1210
Additional factors									
Publicly owned land with some park potential	Yes	No	No	Yes	Yes	Yes	Yes	No	Yes
Total points	55	25	55	58	65	73	77	65	88

Point allocation sheet

Evaluation criteria (100 pts)	North	West	South	East	N&W	S&E	N&S	S&W	All
Tigard Service Provision Impacts (30 pts)									
<ul style="list-style-type: none"> Adjacent to City limits – 10 pts total Yes=10 pts No = 0 pts 	10	0	10	10	10	10	10	10	10
<ul style="list-style-type: none"> If area is annexed alone, can it be fully served without significantly decreasing current City service levels immediately upon annexation? ? *Water, Sanitary sewer and storm sewer are not evaluated since they already serve this area. Road maintenance is not included because major projects have to be programmed into the CIP and will not be needed immediately upon annexation. Parks maintenance is not included because there are no developed parks properties to maintain. 	Draft								
Police – 5 pts	5	5	5	5	5	5	5	5	5
Street maintenance – 5 pts	5	5	5	5	0	0	0	0	0
Street light maint. – ** because this depends on when funds are collected and what else the gas tax needs to be spent on , points will be distributed based on the % of gas tax revenues to pay gas tax needs (AKA – will there be money to pay the light bills). 0-25% = 0 pts 25-75% = 2 pt 75%+ = 4 pts	4	0	2	2	2	2	4	2	2
<ul style="list-style-type: none"> Would service provision of this area require crossing an area that is unincorporated? 6 pts total Yes= 0 pts Part. = 3 pts No= 6 pts 	6	0	3	6	3	6	3	3	6
Subtotal	30	10	25	28	20	23	22	20	23
Relationship to UGB expansion area (20 pts)									
<ul style="list-style-type: none"> Provides link to UGB area – 20 pts Yes-2 = 20 pts Yes 1 = 10 pts No = 0 pts 	10	0	10	0	20	10	20	20	20
Subtotal	10	0	10	0	20	10	20	20	20

Evaluation criteria (100 pts)	North	West	South	East	N&W	S&E	N&S	S&W	All
Financial impacts (45 pts)									
<ul style="list-style-type: none"> Total Tax Revenues (for on-going services) vs. Total on-going costs - 2015 – 25 pts total <ul style="list-style-type: none"> >800,000 = 25 pts 600,000-800,000 = 20 pts 400,000-600,000 = 15 pts 200,000-400,000 – 10 pts <200,000 = 5 pts 	10	5	10	10	10	20	20	15	25
<ul style="list-style-type: none"> % of capital needs covered by revenues (includes all capital funds) – 2005 annexation – 10 pts <ul style="list-style-type: none"> < 8% = 0 pts 8.1%-10% = 5 pts >10.1% = 10 pts 	0	10	5	5	5	5	5	5	5
Additional growth potential (difference between existing(baseline) dwelling units and projected build-out dwelling units– 10 pts <ul style="list-style-type: none"> < 250 d.u. = 0 pts 250-500 d.u = 5 pts > 500 d.u = 10 pts *** based on 2.5% growth projections – if areas build out sooner than projected, the actual lost revenue will be different	0	0	5	10	5	10	5	5	10
Subtotal	10	15	20	25	20	35	30	25	40
Additional factors (5 pts)									
Publicly owned land with some park potential <ul style="list-style-type: none"> Yes = 5 pts No = 0 pts 	5	0	0	5	5	5	5	0	5
Total points	55	25	60	58	65	73	77	65	88

Change in Service Levels Between County and City

<i>I. Service</i>	<i>II. Provider Today</i>	<i>III. Under Annexation</i>	<i>IV. Change in Service upon annexation?</i>
Police	Washington County provides 1.0 officers/1000 people (.5 standard; .5 from Enhanced Patrol)	The City of Tigard would provide 1.5 officers/1000 people	Yes There would be an increase of approximately .5 officers/1000 people
Fire/Rescue	Tualatin Valley Fire & Rescue provides services.	Tualatin Valley Fire & Rescue continues to provide services.	No
Parks	Washington County does not provide parks services.	The Tigard Park Master Plan calls for 2 neighborhood parks and 1 community park in the Bull Mountain area. The plan also calls for a small playground to be built adjacent to the Cache Nature Park.	Yes The City provides park services.
General Road Maintenance	Washington County through the Urban Road Maintenance District. General street maintenance by the County is primarily on a complaint-driven basis. Typical maintenance activities include: <ul style="list-style-type: none"> • • • • • • brush (only the shoulder strip) • • 	The City's road maintenance performs maintenance on regular schedules as well as on a complaint-driven basis. Typical maintenance activities include: <ul style="list-style-type: none"> • • • • • brush (shoulder strip + ditch line) • • • markings • • clearance • light clearance • roads 	Yes The City provides additional road maintenance services.
Sanitary Sewer	Clean Water Services (CWS)	The City of Tigard will meet the same level of service as CWS. All service levels for CWS and surrounding jurisdictions must be uniform by July 2003.	No
Storm Sewer	Clean Water Services (CWS)	The City of Tigard will meet the same level of service as CWS. All service levels for CWS and	No

		surrounding jurisdictions must be uniform by July 2003.	
Water	Intergovernmental Water Board contracts with the Tigard Water District to provide water.	Service remains the same. Tigard Water District will continue to provide water but will bill directly.	No
Street Light Maintenance	Washington County administers Service Districts for Lighting for PGE. Residents pay an annual operations and maintenance assessment.	The City of Tigard will assume all street light operations and maintenance for existing lights. Residents do not pay a separate assessment.	Service remains the same but property owners are not assessed for the operation of the lights.
Community Development and Building Services	<p>The City of Tigard provides building services—including land use decisions, building and engineering—under an intergovernmental agreement with Washington County.</p> <p>All land use decisions are reviewed under the City standards and through the City's hearing process with the exception of legislative actions (zone changes, Comprehensive Plan amendments, etc.)</p>	<p>The City of Tigard will continue to provide building services to this area.</p> <p>All land use decisions will continue to be reviewed under the City standards and through the City's hearing process. The City would be the review authority for legislative actions as well (zone changes, comprehensive plan amendments, etc).</p>	Only change in service is that the City reviews legislative matters.
Library	Washington County Cooperative Library Services (WCCLS) Consortium, which provides funding through the county tax to area libraries, including Tigard.	The City of Tigard, which receives approximately 62% of its funding through the WCCLS. Bull Mountain residents would have influence on the library's services, and could advocate for the services they want.	No
Schools	Both the Beaverton School District and the Tigard School District provide service based on district boundaries.	Annexation does not change school district boundaries.	No
Garbage Collection	Residents are charged rates established by Washington County for service provided by Pride. Residents pay the fee depending on the size of container they use.	The City franchises City garbage collection, and the Bull Mountain area would become part of the franchised area. The service provider remains the same but residents would be charged the rates established by City Council based on the size of the container they use.	Service remains the same, but rates will differ.

AGENDA ITEM # _____
FOR AGENDA OF July 15, 2003

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Briefing on Right-of-Way Management Study

PREPARED BY: Craig Prosser DEPT HEAD OK _____ CITY MGR OK _____

ISSUE BEFORE THE COUNCIL

Receive informational briefing on the Right-of-Way Management Study

STAFF RECOMMENDATION

Receive briefing and provide initial feedback on any recommendations or policies to be pursued.

INFORMATION SUMMARY

The City of Tigard engaged the services of Maximus to review and assess Tigard's rights-of-way (ROW) management policies and procedures, costs, and fees. Maximus conducted on-site reviews and interviewed all staff working on ROW issues for the City of Tigard in January and February 2003. Maximus also reviewed City Code, State statutes, franchise agreements, permits, policies and procedures. Maximus also gathered information from cities across the country about their ROW policies, procedures, authority, and fees. City staff surveyed other Oregon jurisdictions for similar information.

The ROW Management Study includes a number of recommendations, including short term actions and actions to be accomplished over a longer term. These recommendations include:

1. Consider increasing permit fees to recoup City direct and indirect costs for managing the ROW.
2. Consider instituting a permit application fee.
3. Consider requiring all users of the ROW (including City Water, Sanitary Sewer, and Storm Sewer utilities) to obtain permits before working in the ROW.
4. Consider increasing franchise fees or instituting a privilege tax on utilities as allowed by State law.
5. Consider assessing a franchise fee on the City's water utility.
6. Consider automating permit issuance and inspection processes to expedite reviews, link inspections to issued permits, provide access to permit information online, mechanically route permits, receive drawings electronically, and generate management reports.
7. Consider mapping permits issued to better monitor work in the ROW.
8. Investigate the use of one automated system to manage all ROW management, accounting, and reporting needs.
9. Develop procedure to ensure that the Street Maintenance Division is informed up front of all issued permits.
10. Require franchised utilities with blanket permits to pay at least an annual permit fee based on forecasted maintenance activities

11. Develop procedures to ensure that all executed franchise agreements include the same language in significant provisions (i.e. compensation, right to audit, reporting, etc.) as is currently done with Telecommunications franchises.
12. Review established procedures to ensure that utilities consistently conduct street cut repairs as required by permit conditions.
13. As part of the permit process, develop procedures to ensure that utilities are contacting the Oregon Utility Notification Center to verify location of existing facilities prior to commencement of work.
14. Consider establishing a Rights-of-Way Manager position, which would coordinate the City's ROW program and negotiate franchise agreements.

Finance staff will present the results of the study and staff from Engineering and Public Works will be available to address specific topics and areas of concern and to respond to questions.

OTHER ALTERNATIVES CONSIDERED

None. Information briefing only.

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

NA

ATTACHMENT LIST

ROW Management Study.

FISCAL NOTES

The study cost \$25,000. The recommendations of the study have not yet been costed out.



PRIVATE AND CONFIDENTIAL

FINAL REPORT

CITY OF TIGARD, OREGON



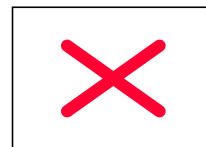
**RIGHTS-OF-WAY MANAGEMENT
ASSESSMENT STUDY**

SUBMITTED: MAY 8, 2003

MAXIMUS, INC.
P. O. BOX 41321 **700 ACKERMAN ROAD, SUITE 150**
HOUSTON, TEXAS 77241-1321 **COLUMBUS, OHIO 43202**
713/906-0715
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CITY OF TIGARD, OREGON

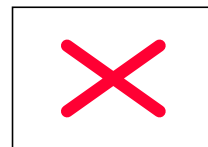


RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

<u>CONTENTS</u>	<u>SECTION</u>
EXECUTIVE SUMMARY	1
INTRODUCTION	2
RIGHTS-OF-WAY MANAGEMENT POLICIES AND PROCESSES	3
CITY'S PERMITTING PROCESS FOR ROW USERS, DOCUMENT PROCEDURES AND REVIEW COSTS RELATED TO ROW MANAGEMENT ACTIVITIES	4
ROW MANAGEMENT PRACTICES OF SELECTED MAJOR U. S. CITIES	5
<u>EXHIBITS</u>	
1 - Survey of Fiber Optic Telecommunications Franchise Fees	
2 - Survey of Franchise, Licenses, and Fees	
3 - Critique - City of Tigard Utility Franchise Agreements/Ordinances	
4 - Summary - City of Tigard Outside Legal Costs	
5 - Example - Rights-of-Way Administrator and Manager Job Descriptions	
6 - Franchise Fee Rate Comparisons - Other Oregon Cities	



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

EXECUTIVE SUMMARY

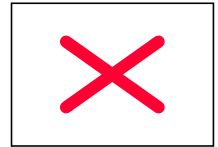
MAXIMUS was engaged to conduct an assessment study of the City of Tigard's (the City) rights-of-way management (ROW) policies and processes, perform a review of the City's costs associated with managing access to public rights-of-way and prepare a report summarizing the rights-of way management practices of other major U.S. cities. Our conclusions and recommendations are detailed below.

CONCLUSIONS

1. The City is not recouping all of its direct and indirect costs associated with the management of the use of the rights-of-way.
2. The City does not require all users of the rights-of-way to obtain permits, i.e. Water, WasteWater, Storm Water, etc.
3. The City does not charge inspection fees to utility companies.
4. All permit issuance and inspection activities are manual which:
 - affects the length of time for a permit application to be reviewed and approved;
 - creates the possibility for established policy not to be conducted due to change in staff; and
 - affects the communication between effected departments.
5. The City utilizes both the Hansen and Tidemark systems to track some rights-of-way and permit issuance activities. However, these systems do not communicate with



CITY OF TIGARD, OREGON



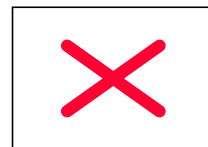
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

each other; thus, affected departments do not effectively communicate with each other on a timely basis. Additionally, neither of these systems have been programmed to link to the Finance system.

6. Franchise utilities, with blanket permits, are not required to pay permit fees.
7. The City does not map locations of issued permits.
8. Policies are not in place to ensure uniformity of franchise agreement provisions.
9. Established procedures are not consistently enforced to require utilities to be responsible for their street cut repairs as required by issued permit specifications/conditions.
10. Prior to issuing permits, procedures need to be reviewed to ensure utilities are contacting the Oregon Utility Notification Center to verify location of existing facilities prior to commencement of work as a problem exists with utilities consistently cutting storm water lines.
11. A formal procedure does not exist for Street Maintenance to be informed of permits issued to utilities, the nature of permitted work, the date work is to commence, amount of inspection required, information regarding planned repair work, etc.
12. Responsibilities for managing the use of the rights-of-way are spread out over several departments. For example, the Finance Director coordinates the negotiation of franchise agreements with telecommunication, solid waste and other utility companies that request usage of the City's rights-of-ways.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

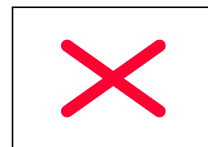
RECOMMENDATIONS

MAXIMUS recommends the City consider the following to enhance its management of rights-of-way activities. The timeframe for implementation is dependent on City staff available to coordinate. However, implementation of the Rights-of-Way Manager position would expedite the timeframe as this Manager would be available to coordinate appropriate tasks with all departments.

1. Consider increasing permit fees to recoup some of the City's direct and indirect costs from managing the use of the rights-of-way.
2. Where appropriate, consider assessing a permit application fee. If application fee is assessed, review state law for compliance.
3. Consider requiring all users of the rights-of-way to obtain a permit including water, waste water and storm water. Review recommendations included in the City Attorney's April 29, 2002 comments regarding the City's rights-of-way concerns.
4. Consider increasing franchise fee percentages as allowed by State law. Review recommendations included in the City Attorney's April 29, 2002 comments regarding the City's rights-of-way concerns.
5. Consider assessing franchise fees to the Water department. Review recommendations included in the City Attorney's April 29, 2002 comments regarding the City's rights-of-way concerns.
6. Consider automating the permit issuance and inspection processes to expedite review of submitted applications, link inspection activities to issued permits, allow access to



CITY OF TIGARD, OREGON



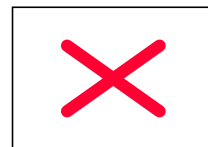
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

pending and issued permit information online, mechanically route permits, receive drawings electronically (could be linked to GIS), generate required management reports to monitor utility activity by contractor/company, administrative costs, backlog of permit processing, backlog of inspection activities, monitor number of street cuts, and track number of permits issued (by type).

7. Consider mapping permits issued to monitor construction activity in the rights-of-way.
8. Investigate the usage of "one" automated system to manage all of the City's rights-of-way accounting and reporting needs. Currently, the City is utilizing Hansen and Tidemark which are systems that do not "talk" to each other. Also, neither system is linked to the City's financial system. Utilizing one system would enhance communication between departments, ensure all departments have access to the "same" information at the same time, enhance management reporting, etc.
9. Develop procedures to ensure the Street Maintenance department is informed "up front" of all issued permits.
10. Require franchise utilities, with blanket permits, to pay at least an annual permit fee based on estimated forecasted maintenance activities.
11. Develop procedures to ensure all executed franchise agreements include the same language in significant provisions, i.e. compensation, right to audit, reporting, etc.
12. Review established procedures to ensure utilities consistently conduct street cut repairs as required by issued permit specifications/conditions.



CITY OF TIGARD, OREGON

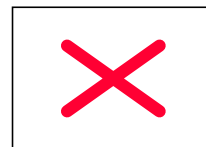


RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

13. As part of the permit issuance process, develop procedures to ensure utilities are contacting the Oregon Utility Notification Center to verify location of existing facilities prior to commencement.
14. Consider establishing a position for a Rights-of-Way Manager. This position would coordinate the City's rights-of-way policies and program objectives within budget limitations, including negotiating franchise agreements with utilities, solid waste companies and other users of the rights-of-way. An example of a job description has been included as Exhibit 5. For example, this manager would assume the responsibility of coordinating the negotiation of franchise agreements from the Finance Director.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

INTRODUCTION

The City of Tigard, incorporated in 1961, is a community located minutes southwest of Portland. The City is home to more than 43,040 residents and expects a population nearing 47,280 by 2005. Tigard strives to manage its growth and blend the amenities of a modern city with the friendliness and community spirit of a small town.

Downtown Tigard is experiencing a renaissance of business and community involvement. Quaint antique shops, espresso bars and fashionable eateries are located on Main Street. Side streets are sites of community facilities and activities such as the Tigard Civic Center, fire station and many retail and service businesses.

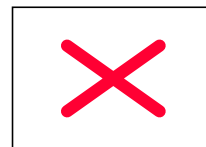
Tigard has developed a strong tax base and a diverse number of businesses. The City's tax rate is among the lowest in the Portland metropolitan area, and industrial and commercial properties represent a large portion of the tax base. Today, there is over 4.5 million square feet of commercial and industrial space in Tigard at business parks.

One of the goals of Tigard's fiscal policies is to provide and maintain essential public facilities, utilities, infrastructure, and capital equipment. The City has several Special Revenue Funds that account for revenue derived from specific taxes or other earmarked revenue sources that are restricted to finance these activities. The following details some of these revenue sources.

- Gas Tax Fund - Accounts for revenues received from state gasoline taxes which are to be expended as specified in the Constitution of the State of Oregon, Article IX, Section 3 that requires revenue from the following to be used exclusively for the construction, reconstruction, improvement, repair, maintenance, operation and use of



CITY OF TIGARD, OREGON



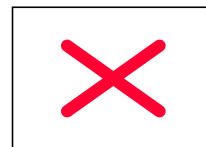
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

public highways, roads, streets and roadside rest areas. Fiscal year 2003 budgeted amount is \$1,806,961.

1. Any tax levied on, with respect to, or measured by the storage, withdrawal, use, sale, distribution, importation or receipt of motor vehicle fuel or any other product used for the propulsion of motor vehicles; and
 2. Any tax or excise levied on the ownership, operation or use of motor vehicles.
- Traffic Impact Fund - Accounts for traffic impact fees charged for new development. Funds are used for highway and transit capital improvements approved by the County that provide additional capacity to the major transportation system. Fiscal year 2003 budgeted amount is \$1,966,905.
 - Underground Utility Fund - Accounts for monies received from developers for future underground utility improvements. Fiscal year 2003 budgeted amount is \$59,700.
 - Urban Services Traffic Impact Fee Fund - Accounts for traffic impact fees collected in the unincorporated Bull Mountain area. Funds are used for highway and transit capital improvements approved by Washington County that provide additional capacity to the City's transportation system. Fiscal year 2003 budgeted amount is \$370,490.
 - Urban Services Fund - Accounts for all revenues and expenditures related to services provided in the unincorporated Bull Mountain area. The City of Tigard provides services to this area pursuant to an intergovernmental agreement with Washington County. Fiscal year 2003 budgeted amount is \$607,700.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

City's Permitting Process for Rights-of-Way Users, Document Procedures and Review Costs Related to ROW Management Activities

I. Permit Application and Issuance Process Review

The purpose of this review was to gain an understanding of the rights-of-way permitting process, determine the volume of permits issued and determine whether the process is in compliance with the code for the City. In addition, the process enabled MAXIMUS to determine what departments were involved, their percentage involvement and related departmental costs. The following steps had to be performed to accomplish this objective.

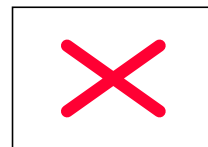
- Interview appropriate individuals in Public Works, Engineering, City Planning, Legal, Finance and Street Maintenance departments in order to gain an understanding of the their involvement as it pertains to the rights-of way permit issuance and inspection process.
- Review a sample of number of permits.
- Review the City Code to determine if the actual process in effect is in compliance.

II. Selected Oregon Statute Provisions

Statutory authority exists for the City to regulate use of its rights-of-way and to impose charges.¹ Specifically, the City may:



CITY OF TIGARD, OREGON



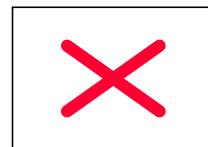
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

1. Determine by contract or prescribe by ordinance the terms and conditions, including *payment of charges and fees*, upon which any public utility, electric cooperative, people's utility City or heating company may be permitted to occupy the streets, highways or other public property within the City.
2. Require any public utility, by ordinance or otherwise, to make such modifications, additions and extensions to its physical equipment, facilities or plant or service within the City as shall be reasonable or necessary in the interest of the public and designate the location and nature of all additions and extensions, the time within which they must be completed, and all conditions under which they must be constructed.
3. Fix by contract, prescribe by ordinance, or in any other lawful manner, the rates or tolls to be paid to, or may be collected by, any public utility or the quality and character of each kind of product or service to be furnished or rendered by any public utility furnishing any product or service in the city. No schedule of rates, charges or tolls, fixed in any manner...*shall be so fixed for a period longer than five years.*
4. In some instances, a City may elect not to enter into a franchise with a utility who has requested use of the City's rights-of-way. In this case.. the city council....may levy and collect from every electric cooperative, people's utility City, privately owned public utility, telecommunications carrier or heating company a *privilege tax* for use of the public streets, alleys or highways, or all of them, an amount not exceeding five percent of the gross revenues of the cooperative, utility, City or company currently earned within the boundary of the city. However, the gross revenues earned in interstate commerce or on the business of the United States Government shall be

¹ Municipal Regulation of Public Utilities, ORS 221.420



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

exempt. *The privilege tax shall be for each year, or part of each year, such utility, cooperative, City or company operates without a franchise.*²

5. All franchises, privileges or permits for the use of the public highways, streets or alleys granted after June 5, 1931 by any municipal corporation *shall not be granted for a term longer than 20 years.*³
6. Determine by contract, or prescribe by ordinance, the terms and conditions including payment of a *privilege tax*....and other charges and fees upon which any *telecommunications carrier* may be permitted to occupy the streets, highways or other public property within such municipality. Provide for a penalty for noncompliance with the provisions of any charter provision, ordinance or resolution adopted by the municipality.⁴
7. The council may levy and collect from every telecommunications carrier operating and using the streets, alleys or highways a *privilege tax* in an amount not to exceed seven percent of the gross revenues of the telecommunications carrier.⁵
8. A telecommunications carrier paying the privilege tax *shall not be required to pay any additional fee, compensation or consideration*, including the free use or construction of telecommunications facilities and equipment, to the municipality for its use of public streets, alleys or highways and shall not be required to pay any additional tax or fee on the gross revenues that are the measure of the privilege tax. The term "use" includes, but is not limited to street openings, construction and maintenance of fixtures or facilities by telecommunications carriers. The term

² Tax on Public Utilities Operating without a Franchise, ORS 221.450

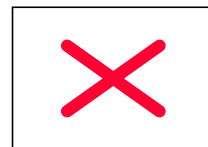
³ Duration of Franchises, Privileges and Permits, ORS 221.460

⁴ Municipal Regulation of Telecommunications Carriers, ORS 221.510

⁵ Privilege Tax on Telecommunications Carriers, ORS 221.515



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

"additional fee, compensation or consideration" does not include commissions paid for siting public telephones on municipal property. To the extent that separate fees are imposed on telecommunications carriers for street openings, construction, inspection or maintenance of fixtures or facilities, such fees may be deducted from the privilege tax. However, telecommunications carriers shall not deduct charges and penalties imposed by the municipality for noncompliance with charter provisions, ordinances, resolutions or permit conditions from the privilege tax.⁶

9. In regards to telecommunications, *gross revenues* means those revenues derived from *exchange access services*⁷ which are:
- a. Telephone exchange access lines or channels that provide local access by a subscriber to the local telecommunications network to effect the transfer of information; and
 - b. Unless a separate tariff rate is charged, any facility or service provided in connection with the services in "a" above.

III. Tigard Municipal Code and Ordinances

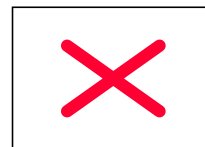
The City of Tigard may have sufficient regulations already in place to protect the public health, safety, and welfare with regard to public rights-of-way, but there is room for improvement in the actual implementation of these regulations from an operational viewpoint.

⁶ Privilege Tax on Telecommunications Carriers, ORS 221.515

⁷ Definitions, ORS 401.710



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

The use of standardized franchise agreements/licenses, incorporating requirements for compensation, insurance, bonding, restoration, removal of facilities, and provision of maps, applicable penalties and plans would streamline the franchise agreement/license issuance and enforcement process.

Pertinent chapters effecting the City's management and monitoring of the use of its rights-of-ways are:

- Chapter 5 - Business Licenses and Regulations
- Chapter 7 - Public Peace, Safety and Morals
- Chapter 15 - Streets and Sidewalks
- Chapter 18 - Community Development

Critique of executed franchise agreements, ordinances and licenses between the City and utilities granted access to use the rights-of-way is included as Exhibit 3.

IV. Permit Issuance Process

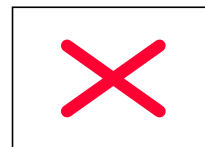
Various city program departments are involved in the permit issuance process as follows:

Table 1: City Departments Involved in ROW Maintenance/Permit Issuance Process

Program	Department	Responsibility
General Government	City Legal	The City utilizes the firm of Ramis Crew Corrigan & Bachrach, LLP to handle all of its legal needs including ROW and utility issues.
Public Works	Street Maintenance	Maintenance of the City's infrastructure (roads, parks, grounds, and City buildings) as well as provision of water, sanitary sewer, and storm water services. Also responsible for the maintenance of



CITY OF TIGARD, OREGON

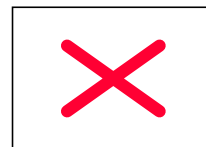


RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

		<p>City vehicles and facilities.</p> <ul style="list-style-type: none">▪ Maintenance of sanitary sewer and storm drainage systems is funded by the collection of sewer and storm drainage charges.▪ Street maintenance is funded by a combination of State and County gas taxes.▪ Park maintenance is funded by property taxes.▪ Fleet and Property activities are funded through a variety of revenue sources.
Community Development	Current and Long Range Planning	<p>Community planning; administration of the Development Code; parks planning and development; building plan review and inspections; general economic development activities; and customer service at the front counter.</p> <ul style="list-style-type: none">▪ Current Planning - provides zoning and development information; conducts pre-application conferences, and reviews land use applications.▪ Long Range Planning - responsible for monitoring and analyzing present and future physical, demographic, economic, and development conditions and trends; clarifying and recommending ways to implement shared City goals; developing and implementing growth management and annexation programs; maintaining, updating and implementing Tigard's comprehensive plan; conducting technical studies and special planning projects such as transportation planning; coordination of planning issues with other jurisdictions; developing and maintaining citywide geographic information mapping system (GIS)



CITY OF TIGARD, OREGON



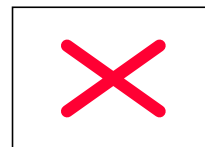
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Development Services - Engineering	Engineering	Designs and constructs capital improvement projects; and review of private development and inspection to ensure compliance with City standards. <ul style="list-style-type: none">▪ Manages capital improvement program for public streets and utilities and prepares facilities plans for future improvement needs.▪ Provides technical review and issues permits for proposed private development projects, provides inspections to assure compliance with City standards, and maintains records relating to public facilities.
Development Services -	Street Lights & Signals	Maintenance and energy costs for street lighting and traffic signals on public streets. <i>All maintenance work is done by contract and no City personnel are funded.</i>
Policy and Administration	Finance	Manages annual budget process; long range financial planning; review and <i>processing of all requests for new utility franchises</i> ; financial advice to City Council, boards, committees and issuance of debt for general and enterprise activities.
Policy and Administration	Network Services	Provides computer systems installation and maintenance, telephone inventory and usage, and television facilities to all City departments including maintenance of Hansen and Tidemark systems and creation of reports for Street Maintenance and Engineering.

The permit issuance process begins when a contractor or utility representative arrives at the Engineering department to obtain an application for proposed work. The completed application along with as built drawings, traffic control plan and other required data to obtain a permit is submitted to Engineering for review and processing. Depending on the nature of work being requested by the permit, Engineering may route the application to



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

other departments for appropriate review. After ensuring all obligations have been met, a permit is issued. The applicant pays the appropriate permit fees based on the rates detailed below.

Table 2: Current ROW Permit Fees

Permit Type	Current Fee
Public Facility Improvement	Minimum \$150 fee plus cost recovery
Fee in Lieu of Undergrounding	\$27.50/LF of frontage where existing OH utilities exist and where they serve the development in question
Address Fee	\$30 per address
Application Fee	None required except where required in executed franchise agreements
Inspection Fee	None required

Table 3: Number of Permits Issued

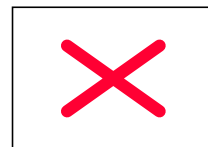
Total Permits Issued in 2002	136
Total Permits Issued to Franchise Utility Companies in 2002 *	75
Fiscal Year 2002 Permit Revenue	\$69,890
Fiscal Year 2003 Budgeted Permit Revenue	\$209,128

* Included in total permits issued amount of 136

Street Maintenance, along with Engineering, is responsible for monitoring and inspecting the permitted work being conducted to ensure it is in accordance with the specifications and conditions attached to the permit. Upon completion of the work, the utility is responsible for repairing the road back to conditions as required by the City. If the utility fails to properly repair the road, Street Maintenance staff is utilized to conduct the repair. Costs for all such repairs by the City are billed to the utility. According to the City, no problems exist with collection of reimbursement for these repairs. However, it should be



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

noted that Street Maintenance also inspects and conducts repairs for non-permitted utilities such as Water, Waster Water and Storm Water.

V. Street Maintenance Repair/Inspection

The Street Maintenance department commences its involvement with rights-of-way activities upon receipt of work orders from other departments including the water, waste water and storm water divisions. Upon receipt of a work order, an assignment is made to the appropriate crew to make road repairs, conduct inspection or perform other activities as requested. Other activities may include roadside mowing, street signs, dust control associated with rock roads, rock road maintenance, street marking, curb painting, etc. Upon completion of work required by the work order, the Administrative Assistant enters the cost for labor, equipment and other associated costs into the Hansen system. While Hansen has a report module, most reports utilized by management are generated by the City's Network Services (Systems) department.

Specific Street Maintenance issues are:

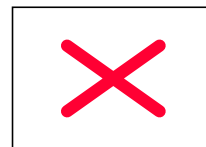
1. The utilities should be required to be more responsible for their street cut repairs.
2. There exists a problem with utilities cutting storm water lines.
3. A formal procedure does not exist for Street Maintenance to be informed of permits issued to utilities, the nature of permitted work, the date work is to commence, amount of inspection required, information regarding planned repair work, etc.

VI. Costs Associated With Managing Rights-Of-Way

Our objective for this part of the management study is to assist the City with appropriate modification and revisions in its schedule of charges for the use of the public rights-of-ways



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

to affect fair and reasonable charges to recover costs of managing the public rights-of-ways.

The following had to be determined to accomplish this objective:

- Determine the costs associated with managing the rights-of-way in the City including the management, acquisition, construction, maintenance and inspection cost of the public rights-of-way.
- Determine what costs can be reasonably applied to current and potential users of the public rights-of-way.
- Review the City's permit fee schedule to determine if rates assessed are sufficient to recover the City's costs from the public rights-of-way users.

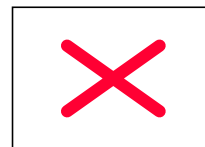
The full costs of managing the City's rights-of-way consist of direct and indirect costs. Direct costs are costs that can be specifically identified with a particular final cost objective. Indirect costs are costs not specifically identified with a single, final cost objective but are identified by two or more final cost objectives or an intermediate cost objective.

Direct costs for this rights-of-way project were determined to be departments or responsibility cost centers which are only specifically identified with public space. Indirect costs are costs which are not directly identified with public space but are incurred for several divisions of the City and/or the general operations of Public Works and related departments.

For purposes of determining direct costs associated with the users of the City's rights-of-way, several departments were identified. Costs associated with these departments are accumulated in the City's financial system by program cost centers. These departments and their related responsibilities have been summarized in Table 1.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

The following tables detail the actual costs incurred by each department associated with the management, including permit issuance and inspection activities, of the ROW. The results detailed in these tables clearly exhibit that the City is not recouping its direct and indirect costs incurred with managing the rights-of-way.

Table 4: Street Maintenance

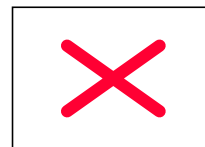
Classification Title	Salary	% of Effort	Allocable Salary
Senior Utility Worker	\$38,160	100%	\$38,160
Senior Utility Worker	\$38,160	100%	\$38,160
Utility Worker II	\$34,524	100%	\$34,524
Utility Worker II	\$34,524	100%	\$34,524
Utility Worker II	\$34,524	100%	\$34,524
Utility Worker II	\$34,524	100%	\$34,524
Utility Worker II	\$34,524	100%	\$34,524
Streets supervisor	\$55,033	100%	\$55,033
Subtotal Costs			\$303,973
Fringe benefits @ 34.7%			\$105,479
Materials & Services total = \$326,181			\$20,549
Allocated salaries (\$10,240) is 6.3% of department salaries			
Total of Direct costs			\$430,001
Indirect cost rate is 12.8%			\$55,040
Total Costs			\$485,041

Table 5: Engineering

Classification Title	Salary	% of Effort	Allocable Salary
Engineering Manager	\$68,359	90%	\$61,622
Engineering Survey Specialist	\$53,570	89%	\$47,752
Engineering Tech I	\$26,241	100%	\$26,178
Engineering Tech II	\$44,598	98%	\$43,849
Sr Engineering Tech	\$48,094	50%	\$24,186
Sr Engineering Tech	\$47,905	33%	\$15,938
Subtotal Costs			\$219,526
Fringe benefits @ 36.3%			\$79,688
Materials & Services total = \$109,688			
Allocated salaries (28,877) is 3.4% of department salaries			\$3,729
Total of Direct costs			\$302,943
Indirect cost rate is 25.63%			\$11,043
Total costs			\$313,986



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Table 6: Finance

Classification Title	Salary	% of Effort	Allocable Salary	Total
Director of Finance	\$82,432	10%	\$8,243	
Budget/Financial Reporting Analyst	\$39,945	5%	\$1,997	
Subtotal Costs				\$10,240
Fringe benefits @ 28.7%				\$2,939
Materials & Services total = 82,623				\$5,205
allocated salaries (10,240) is 6.3% of department salaries				
Total of Direct costs				\$18,385
Indirect cost rate is 31.58%				\$5,806
Total costs				\$24,191

Table 7: Planning

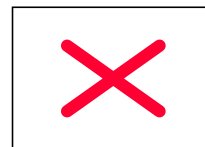
Classification Title	Salary	% of Effort	Allocable Salary
Assistant Planner	\$39,216	3.60%	\$1,412
Fringe benefits @ 35.93%			\$507
Materials & Services total = 102,332			
allocated salaries (1,412) is 1.0% of department salaries			\$102
Total of Direct costs			\$2,021
Indirect cost rate is 17.14%			\$346
Total costs			\$2,367

Table 8: Legal Costs

Time Period	Amount
July - December 2001	\$103,584
January - December 2002	\$166,757
January 2003	\$ 8,703
Annualized 2003	\$104,440



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Table 9: Street Maintenance Actual ROW Repair Costs - 2002

Category		Amount
ROW Mowing Maintenance		\$40,793
Dust Control Maintenance		\$1,918
Road Rocking Maintenance		\$3,131
Digout and Replace Asphalt		\$229,711
.....Streets	\$143,382	
.....Parks	\$167	
.....Waste Water/Storm	\$22,254	
.....Water	\$63,908	
Total		\$275,553

Table 10: Solid Waste Franchising Management

Classification Title	Salary	% of Effort	Allocable Salary	Total
Financial Operations Manager	\$65,640	10%	\$6,564	
Subtotal Costs				\$6,564
Fringe Benefits @ 28.7%				\$1,884
Materials and Services total \$180,294				\$2,524
Allocated salaries (\$6,564) is 1.4% of department salaries				
Total Direct Costs				\$10,972
Indirect Cost Rate is 31.58%				\$ 3,465
Total Costs				\$14,437

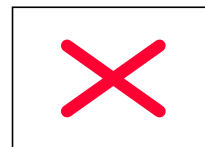
Table 11: FY2003 Permit Revenue

Permit Type		Revenue
PFI (Public Facility Improvement Permits)		\$75,230
City	\$55,720	
Urban Services Boundary (USB)	\$19,510	
Fee In-Lieu of Undergrounding		\$20,544
(All City; Not required or collected in USB)		
Address Fee		\$8,790
City	\$6,120	
Urban Services Boundary (USB)	\$2,670	
Total FY2003 Revenue*		\$104,564
FY2003 Revenue Annualized		\$209,128
Permit Revenue FY2001/2002		\$ 69,890

* As of January 7, 2003



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Table 12: Summary Departmental Costs Compared to Actual Revenue

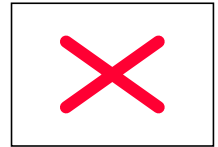
Department	Actual Cost	Permits Issued 2002	Actual Cost Per Permit
Street Maintenance	\$485,041	136	\$3,566
Engineering	\$313,986	136	\$2,309
Finance	\$ 24,191	136	\$ 178
Planning	\$ 2,367	136	\$ 17
Total	\$825,585		
Street Maintenance 2002 Repair Costs	\$275,553		
Solid Waste Franchising Management	\$14,437		
Legal 2002 Costs	\$166,757		
FY2002 Permit Revenue	\$ 69,128		
FY2003 Projected Permit Revenue	\$209,128		
FY2002 Franchise Fee Revenue	\$2,800,000		

Issue

The results of this review clearly disclose the City is not recouping all of its costs. Therefore, careful consideration must be given to proposed franchise fee percent increases, potential new franchise fee for some utilities, privilege tax implementation, permit fee increases, and other proposed new tax implementation as all these assessments directly impact residents of the City. All City departments must work together jointly to ensure agreed upon decisions benefit the City not only for the short term but for ten to twenty years in the future to accommodate pending and unknown legislative changes that could effect revenues allocated to the City's general fund.



CITY OF TIGARD, OREGON



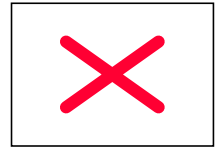
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Conclusions

1. The City is not recouping all of its direct and indirect costs associated with the management of the use of the rights-of-way.
2. The City does not require all users of the rights-of-way to obtain permits, i.e. Water, Waste Water, Storm Water, etc.
3. The City does not charge inspection fees to utility companies.
4. All permit issuance and inspection activities are manual which:
 - affects the length of time for a permit application to be reviewed and approved;
 - creates the possibility for established policy not to be conducted due to change in staff; and
 - affects the communication between effected departments.
5. The City utilizes both the Hansen and Tidemark systems to track some rights-of-way and permit issuance activities. However, these systems do not communicate with each other; thus, affected departments do not effectively communicate with each other on a timely basis. Additionally, neither of these systems have been programmed to link to the Finance system.
6. Franchise utilities, with blanket permits, are not required to pay permit fees.
7. The City does not map locations of issued permits.
8. Policies are not in place to ensure uniformity of franchise agreement provisions.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

13. Established procedures are not consistently enforced to require utilities to be responsible for their street cut repairs as required by issued permit specifications/conditions.
14. Prior to issuing permits, procedures need to be reviewed to ensure utilities are contacting the Oregon Utility Notification Center to verify location of existing facilities prior to commencement of work as a problem exists with utilities consistently cutting storm water lines.
15. A formal procedure does not exist for Street Maintenance to be informed of permits issued to utilities, the nature of permitted work, the date work is to commence, amount of inspection required, information regarding planned repair work, etc.
16. The Finance Director coordinates the negotiation of franchise agreements with telecommunication, solid waste and other utility companies that request usage of the City's rights-of-ways.

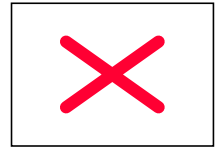
Recommendations

MAXIMUS recommends the City consider the following to enhance its management of rights-of-way activities. The timeframe for implementation is dependent on City staff available to coordinate. However, implementation of the Rights-of-Way Manager position would expedite the timeframe as this Manager would be available to coordinate appropriate tasks with all departments.

1. Consider increasing permit fees to recoup some of the City's direct and indirect costs from managing the use of the rights-of-way.



CITY OF TIGARD, OREGON

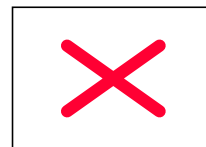


RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

2. Where appropriate, consider assessing a permit application fee. If application fee is assessed, review state law for compliance.
3. Consider requiring all users of the rights-of-way to obtain a permit including water, waste water and storm water. Review recommendations included in the City Attorney's April 29, 2002 comments regarding the City's rights-of-way concerns.
4. Consider increasing franchise fee percentages as allowed by State law. Review recommendations included in the City Attorney's April 29, 2002 comments regarding the City's rights-of-way concerns.
5. Consider assessing franchise fees to the Water department. Review recommendations included in the City Attorney's April 29, 2002 comments regarding the City's rights-of-way concerns.
6. Consider automating the permit issuance and inspection processes to expedite review of submitted applications, link inspection activities to issued permits, allow access to pending and issue permit information online, mechanically route permits, receive drawings electronically (could be linked to GIS), generate require management reports to monitor utility activity by contractor/company, administrative costs, backlog of permit processing, backlog of inspection activities, monitor number of street cuts, and track number of permits issued (by type).
7. Consider mapping permits issued to monitor construction activity in the rights-of-way.
8. Investigate the usage of "one" automated system to manage all of the City's rights-of-way accounting and reporting needs. Currently, the City is utilizing Hansen and



CITY OF TIGARD, OREGON



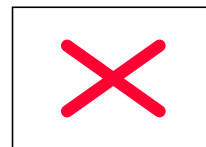
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Tidemark which are systems that do not "talk" to each other. Also, neither system is linked to the City's financial system. Utilizing one system would enhance communication between departments, ensure all departments have access to the "same" information at the same time, enhance management reporting, etc.

9. Develop procedures to ensure the Street Maintenance department is informed "up front" of all issue permits.
10. Require franchise utilities, with blanket permits, to pay at least an annual permit fee based on estimated forecasted maintenance activities.
11. Develop procedures to ensure all executed franchise agreements include the same language in significant provisions, i.e. compensation, right to audit, reporting, etc.
12. Review established procedures to ensure utilities consistently conduct street cut repairs as required by issued permit specifications/conditions.
13. As part of the permit issuance process, develop procedures to ensure utilities are contacting the Oregon Utility Notification Center to verify location of existing facilities prior to commencement.
14. Consider establishing a position for a Rights-of-Way Manager. This position would coordinate the City's rights-of-way policies and program objectives within budget limitations, including negotiating franchise agreements with utilities, solid waste companies and other users of the rights-of-way. An example of a job description has been included as Exhibit 5. For example, this manager would assume the responsibility of coordinating the negotiation of franchise agreements from the Finance Director.



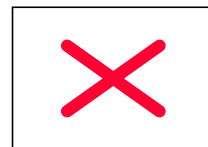
CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Rights-Of-Way Management Practices of Selected Major U.S. Cities

This section of the report summarizes survey information outlining right-of-way (ROW) management practices of other cities. The objective of our research was to provide information on other jurisdictions' approach toward providing utilities (and other companies) access to ROW, methodologies utilized for assessing fee for rental of ROW and legislative instruments used to regulate access to public space.

Row Management Research Objectives

The objective of the ROW management research focused on the following:

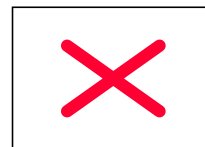
- ROW valuation methodologies
- ROW user costs
- Usage and marketability of underground conduits, bridges, aerial, wireless, tunnels, and poles
- Street cut policies and fees

ROW Valuation Methodologies

Our review of local governmental entities indicated that typical right-of-way (ROW) users are electric, gas, telephone, cable, communications, and fiber optic companies. These utilities and telecommunication companies use the surface, subsurface and airspace of the city's alleys, sidewalks and streets; as well as tunnels, poles, conduits, and ducts to provide their customers services and transact business. Based on the information collected and reviewed during this process, it is apparent that significant right-of-way revenues are derived via franchise agreements or ordinances with utilities, telecommunications companies and cable providers. The majority of franchise fees are



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

collected as percentages of the utilities' or providers' gross revenues or gross receipts. On an average, these fees range from 3% to 5% of utility gross revenues within a given jurisdiction.

Revenue Based Compensation

This method of payment is most common for local utilities, cable companies and competitive local exchange companies (CLEC). Local utilities include local exchange telephone companies, electric, gas, water and steam. CLECS are companies that compete with local exchange carriers in the area of providing access to long distance carriers, private line and local telephone service. Our review of the types of franchises or licenses granted by the cities researched revealed that there are three general categories of utility users of public rights-of-way:

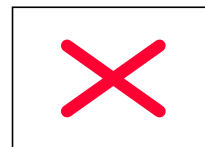
Table 1 - Utility Users of Public Rights-of-Way

<i>Type</i>	<i>Category of Use</i>	<i>ROW Valuation Method</i>
Franchise	Local Distribution Networks (i.e. local exchange carrier, competitive access provider, water, steam, chilled water, electric, gas service and solid waste)	Percentage of Gross Revenues
License	Interstate Carriers (i.e. long distance telephone, gas pipe interstate)	Linear Foot Fee
License	Private Networks (i.e. hospitals, universities, private companies and non profit agencies)	Linear Foot Fee

MAXIMUS' research of local governments' rights-of-way compensation arrangements for these categories indicates rights-of-way fees are generally assessed in the following manner:



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Table 2 - Rights-of-Way Assessment

<i>Type</i>	<i>Compensation Method</i>	<i>Fee Range</i>
1) Local distribution networks	percent of gross revenue or receipts	.05% to 10%
2) Local distribution networks	Linear foot , Fee per access line	.001 to 5.50 per ft
3) Interstate carriers	Flat fee / linear foot	.30 to \$5.50 per ft
4) Private networks	Flat fee / linear foot	.30 to \$5.50 per ft.

Table 3, below, details the comparison of gross revenues derived from rights-of-way fees for selected cities:

Table 3 - Gross Revenues from Rights-of-Way Fees

<i>City</i>	<i>Electric Franchise Fee Revenue</i>	<i>Franchise Fee % Electric / Telephone</i>	<i>Telephone Franchise Fee Revenue</i>
Chicago	\$ 63,000,000	4%-Elec./ 3%-Tele.	\$ 29,580,000
Houston**	\$ 60,000,000	4%-Elec./ Flat Fee-Tele.	\$26,900,000
St. Louis*	\$ 26,000,000	10%-Elec./ 10%-Tele.	\$12,000,000
New Orleans	\$ 9,000,000	2.5%-Elec./ 3% Tele.	\$3,000,000

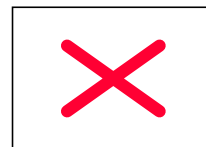
* St. Louis has a gross receipts tax instead of a franchise fee.

**Texas recently deregulated electricity and telecommunications services. Specifically, franchise agreements are now prohibited. Houston continues to receive franchise fee payments from the local electric company based on kWh sales and from telecommunication service providers based on a fee/access line. Deregulation prohibits electric and telecommunication payments from being based on a percentage of gross receipts.

Gross receipts based franchise agreements generally permit utilities to have unlimited access to public space and rights-of-way for a specific purpose such as providing electric or gas service within the City. These franchises typically regulate pole placement, conduits, buried cable and all other aspects of the utility's activities in public rights-of-way. In return for ROW access, the franchised utilities agree to pay the City based on a percentage of all gross receipts from operations within the City. Utilities are typically required to pay property,



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

utility and other taxes such as sale, use, special taxes and assessments for public improvements, in addition to gross receipts franchise fees.

Linear Foot Fee

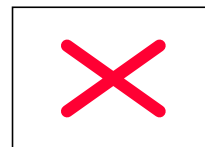
Generally, the linear foot charge is used for limited access to public ROW as in the case of a telecommunications operator building a limited network in a downtown urban area. Many of the cities researched used this method for fiber optic local loop, interstate long distance carrier and interstate pipeline companies. For example, Atlanta and Chicago use the percentage of gross receipts model for utilities such as local exchange, electric and gas companies. Philadelphia, on the other hand, only charges a linear foot fee. In addition to the cities below, MAXIMUS included the rate charged by a public transit authority to telecommunication providers for the use of their facilities. The Washington Metropolitan Area Transit Authority (WMATA) uses the public right-of-way to operate the public mass transit rail system within D.C. ROW is leased for the installation of fiber optic cables ranging from \$1.60 to \$3.80 per linear foot per year. The City of Atlanta charges certain ROW tenants a \$5.00 per linear feet for the usage of the City's rights-of-ways and the City of Pittsburgh charges \$1.00 per linear foot. (See Table 4)

Table 4 - Survey of Selected Cities

		<i>Population</i>	<i>Company</i>	<i>Fee/Lnr Ft.</i>
1	WMATA			\$3.80 to 1.60
2	Albuquerque, NM	384,736	AT&T	0.60
3	Atlanta, GA	394,017	AT&T	5.00
4	Atlanta, GA	394,017	Western Union	5.00
5	Baltimore, MD	736,014	Bell Atlantic	0.06
6	Birmingham, AL	265,968	AT&T	2.00
7	Boca Raton, FL	61,492	Telecommunication services	2.00



CITY OF TIGARD, OREGON



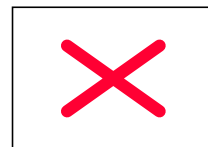
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

8	Chicago, IL	2,783,730	Lightnet	5.50
9	Des Moines, IA	193,187	N/A	1.00
10	Des Moines, IA	193,187	teleph,telegr,communications sys	1.00
11	Flint, MI	140,761	AT&T Communications	1.00
12	Fort Worth, TX	447,619	AT & T	1.00
13	Fort Worth, TX	447,619	MCI	1.00
14	Fort Worth, TX	447,619	N/A	1.33
15	Philadelphia, PA	1,586,000	Aerial/Electric	0.0011
16	Philadelphia, PA	1,586,000	Telecomm.	0.0007
17	Pittsburgh, PA	369,879	Telecomm.	1.00
18	Phoenix, AZ	983,403	City Signal	0.60
19	Richmond, VA	202,798	Bell Atlantic	0.02
20	St. Louis, MO	396,685	N/A	1.50
21	St. Paul, MN	272,235	Any Franchise	1.00
22	Tulsa, OK	367,302	US Sprint	0.75
Average Linear Foot Fee				\$ 1.50

Over time, the term of franchise agreements has decreased. Initially, agreements were made for extensive periods of time, such as 30, 40 or 50 years. The recent trend has been for the agreement to have a term of 10 or 15 years, with incorporation of a provision outlining the city's right to renegotiate and a clause for inflation factors. Based on the information obtained from the survey, the average agreement term is approximately 18.29 years. Franchise agreements normally specify the compensation basis and method of calculating the franchise fee. Additionally, the franchise agreements are normally initiated through an application process which includes review(s) by the city, coordination of different city departments and/or localities, and approval by the City Council (or an applicable legislative branch).



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Written Policies or Agreements for Subleasing and Permitting

Our research indicated that generally, regulations pertaining to the public ROW are usually documented in the city's Municipal Code(s) or Ordinances. The documents outline the franchising or permitting process for the users of public space. All of the cities that responded have a written policy or policies in place to monitor franchising, subleasing and permitting. Only two of the cities (Milwaukee, WI and Seattle, WA) did not require a company to negotiate a franchise or lease agreement prior to gaining access to their city's ROW.

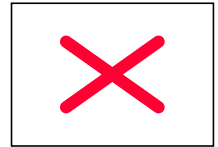
Additionally, most cities also require users of the public ROW to apply for a permit, submit plans and receive approval from the Public Works (or equivalent department) prior to entering the public ROW. The permit fees vary according to the nature and volume of work to be performed. The permit fees range from a minimal fee for access to utility poles and flat fees per street cut to fees based on the nature, volume or length of time work will be performed. In addition to the street cut permit fees, several cities require the utility to pay the costs associated with degradation of streets due to utility cuts.

Conduit Rentals

The cities that lease conduit space to private companies are Los Angeles, CA and Milwaukee, WI. Both cities lease to telecommunications providers. However, Los Angeles' compensation is based on in-kind consideration, while Milwaukee leases its duct space for \$.55 per linear foot. Seattle City Lights, a city-owned electric company, owns underground conduits, but only leases to other government and public agencies.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Additionally, we researched information on fees for poles, pole attachments, bridge access, tunnel fees, subleasing, cellular tower sites, and attachments to municipally-owned poles. Milwaukee, WI and Seattle, WA assess pole fees. Richmond, VA and Seattle, WA assess fees for pole attachments. Atlanta, GA has a tunnel fee. Seattle, WA assesses an annual fee of \$2,041 for its skybridge and \$3,070 for a pedestrian tunnel. Seattle's fees are reevaluated every five (5) years.

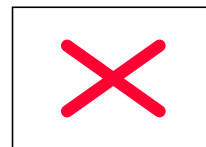
Milwaukee, WI and St. Petersburg, FL assess a subleasing fee. Milwaukee's fee is for underground conduit. St. Petersburg assesses fees on its telecommunications companies but did not provide details. Milwaukee, WI reported that television, radio and telecommunications companies use the tower sites and pay for plan exams, permit fees for construction plus any other permits fees for outbuildings.

Richmond, VA charges an annual fee of \$2.00 per pole for city owned poles. Seattle, WA is enacting a pilot program to charge a fee for pole attachments. Additionally, four of the respondents assess utility pole license fees listed below:

- Atlanta, GA, charges \$5.00 per pole;
- Milwaukee, WI, charges a permit fee of \$21.00 per block with inspection fees of \$12.00 per pole;
- Norfolk, VA charges \$5.00 per pole; and
- Seattle, WA, charges a \$58.00 permit fee.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Presented below in Table 5, is a listing of other cities and their fees per pole.

Table 5 - Survey of Poles

City	Fee Per Pole
Baltimore, MD	\$ 50.00
Philadelphia, PA	\$ 2.00
New York, NY	\$ 150.00
Dayton, OH	\$ 10.00
Richmond, VA	\$ 2.00

Policy for Utility Street Cuts

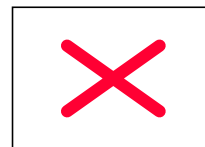
Information was requested from the cities regarding their requirements for street cuts, including:

- fees
- trench responsibilities
- street condition evaluation
- restrictions
- trenching coordination, and
- permanent repairs

As stated earlier, cities researched require service providers to have a permit prior to entering the public ROW. All of the researched cities except St. Petersburg, FL require a permit. St. Petersburg did not require a permit because the city does not allow street cuts. Companies are required to jack and bore, which is a method of laying new cable or performing repairs via excavation at the side of the road. Presented below in Table 6, is a listing of cities with their required intervals before newly paved or replaced streets are allowed to be cut.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Table 6 - Restriction on Newly Paved Streets

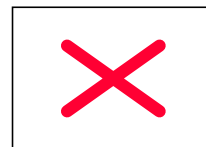
City	Comments	Moratorium Length (Years)
Los Angeles, CA	Only after prescribed time frames.	1 - 5
Milwaukee, WI	Only after prescribed time frame, unless by resolution of Common Council.	3
Nashville, TN	Only after prescribed time frame.	5
Seattle, WA	Only after prescribed time frame.	3
St. Petersburg, FL	Only after prescribed time frame.	5

Once a specified street is replaced or resurfaced, most of the cities place a moratorium on proposals for street cuts to that specific street. The shortest time identified before the allowance of street cuts was one year, with council approval. The normal time was from 3 to 5 years. The respondents also indicated that the city and utilities coordinate with each other before trenching activities are allowed to start.

All but one of the cities researched requires the utility company (or contractor) to repair and complete permanent repairs to the trenches under the supervision of the city's Public Works. Seattle, WA was the only city that indicated that the responsibility for the reconstruction of the trench rested with the Public Works. The Public Works for the other cities is responsible for inspecting the repair work and ensuring that it has been performed in accordance with the city's regulations and codes.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

EXHIBIT 1

**SURVEY -FIBER OPTIC TELECOMMUNICATIONS
RIGHT-OF-WAY/FRANCHISE FEES**

City of Tigard, Oregon
Fiber Optic Telecommunication Survey Right-of-Way Fees
(Schedule Prepared by: MAXIMUS)

City Name	Population	Company Name	Compensation	Term (Years)	Other Compensation	Right to Audit?	Bond Requirement	Insurance	Definition of Revenue Compensation
Addison, TX	8,783	Metropolitan Fiber Systems, Inc. (MFS)	greater of: 5% of gross revenue OR \$5,000, payable quarterly	7 years	2 fiber pairs for City's own use	yes	\$250,000 surety bond		
Albuquerque, NM	384,736	American Telephone & Telegraph Co. (AT & T)	\$0.60 per lin ft, subj to incr due to annexation, payable annually (currently a min of \$9,750)	eff 07/29/85 exp 07/29/00 15 years	none	not enumerated	none	\$1 million liability combined single limit coverage for bodily injury, death or property damage	no additional
Atlanta, GA	394,017	Metrex Corp	greater of: 4% of gross revenue OR \$25,000	10 years					
		SoutherNet	greater of: 4% of gross revenue OR \$25,000	10 years					
Birmingham, AL	265,968	AT&T Communications of the South Central States, Inc. (AT & T)	\$2.00 per linear ft of right-of-way used, payable annually	eff 09/11/85 exp 09/11/15 30 years (unless term'd by mutual consent)	none	not enumerated	none	\$1 million personal injury \$100,000 property damage	no additional
Chicago, IL	2,783,730	Diginet Communications, Inc. - Midwest	greater of: \$3.54 per linear foot in the downtown business area (DBA) + \$1.77 per lin foot outside the DBA (min annual fee) OR the annual gross billings based fee; payable monthly	eff 01/01/91 exp 12/31/05 15 years	4 continuous fiber optic strands single termination point for City fibers in up to 5 municipal buildings; maintenance of City fibers	yes	\$225,000 surety bond OR letter of credit	a) \$500,000 workers' compensation & occupational disease; b) \$5 million, combined single limit) comprehensive general liab or commercial liab c) \$2 million (per occurrence) rail	annual gross billings based fee = 3% total gross billings during a compensation year total gross billings = all amounts (excluding sales tax) due to Company, derived from its operation, lease, exchange or use of its telecommunications system + all other revenue arising from the possession of the rights under the telecommunications use agreement
		Teleport Communications Chicago, Inc.	1-time processing fee of \$2,300	eff 04/01/90 exp 12/31/05 15 yrs + 9 mos		yes	\$300,000 surety bond	road protective liab (\$6 million annual aggregate may apply) d) \$2 million (per occurrence) combined single limit auto liab	
Cincinnati, OH	364,040	Access Transmission Services, Inc.	greater of: 3% gross revenues OR \$1,250; payable quarterly; + 3% of third-party reseller (i.e., Fibernet Telecommunications of Cincinnati, Inc.) gross revenues	15 years	none	yes	none	\$1 million pers injury per person; \$1 mil per occurrence; \$1 mil prop dmg per occurrence + costs of defense; OR \$5 million combined single limit + costs of defense	gross revenues = gross rev derived from provision of voice/video/data transmission over telecommunications system, lease of the system to third-party resellers, or other access or private line service
Denver, CO	467,610	MCI Telecommunications Corporation	\$100,000 in 20 annual payments of \$5,000 each	eff 05/14/91 exp 05/14/11 earlier of: 20 yrs OR first 20 linear miles new telecom conduit	none	not enumerated	none	none	no additional
		Teleport Denver, Ltd. (license agrt with Mile High Cablevision)	5% of gross revenue	eff 03/09/92 expires the earlier of date of: termination by City, Teleport or Mile High (MH); exp of MH's franchise with City; default by Teleport; or any modification disallowing MH to extend license to Teleport	none	not enumerated	none	\$500,000 single limit comprehensive general liability	gross revenue = all rev (excluding sales, use or other taxes) derived from origination of end user customers' telecom traffic & sale/lease of cust premises equipment to end user customers
		Jones Lightwave of Denver, Inc.	\$0.10 per linear ft of right-of-way occupied by newly-constructed	eff 12/92 (est)	1 4" pvc conduit for City's use only	yes	none	\$500,000 single limit comprehensive general liability	gross revenue = all rev (excluding sales, use or other taxes) derived from origination

City of Tigard, Oregon
Fiber Optic Telecommunication Survey Right-of-Way Fees
(Schedule Prepared by: MAXIMUS)

City Name	Population	Company Name	Compensation	Term (Years)	Other Compensation	Right to Audit?	Bond Requirement	Insurance	Definition of Revenue Compensation
			facilities (min \$50) + 5% of gross revenue						of end user customers' telecom traffic & sale/lease of cust premises equipment to end user customers
Des Moines, IA	193,187	any company	greater of: \$100 OR 3% of gross revenues, payable annually \$50 license appl fee (+ \$50 for each amendment thereto)	effective when license granted, exp 03/31 ea yr unless sooner terminated	none	yes	bond required * * amount & other standards as set by City Mgr & approved by City Legal Dept, subj to change	insurance required *	gross revenues = gross revenues derived from sale or exchange of communications services in connection with the operation of the communication system within the public right-of-way during the year
Fort Worth, TX	447,619	Metro Access Networks, Inc.	\$1.33 per linear ft of public right-of-way traversed + 5% of gross receipts, payable quarterly \$10,000 1-time acceptance fee \$500 processing/appl fee	eff 04/94 (est) exp 04/09 (est) 15 yrs, subj to renegotiation at 10th year anniversary	space in all ducted & conduit facilities w/sufficient space for necessary joints; + dark fiber pair throughout that portion of network used for transmission purposes	yes	\$500,000 surety bond	\$10 million each of: comm gen'l liab, environmental impairment & auto; + \$500,000 workers' comp for each accident/disease each employee, disease-policy limit	gross receipts = all rcpts (excluding sales tax) collected from operation of network installed + any related services provided within the corporate limits of City
Grand Rapids, MI	189,126	City Signal, Inc.	\$0.05 per linear ft + pole attachment fee in an amt not specified \$5,000 right-of-way fee upon execution of agreement	10 yrs, unless revoked by City or Company	none	not enumerated	none	\$1 million compr general liab & \$500,000 auto (incr to \$2 mil & \$1 mil, respectively, after 5 yrs); workers' comp & employer's liab with statutory limits	not applicable
Houston, TX	1,630,550	Metropolitan Fiber Systems (MFS)	4% of annual gross revenue + \$2,000 per year \$1,500 processing/appl fee	10 yrs	cable space for City	yes	no bond		
		Teleport	4% of gross revenue + \$2,000 payable quarterly \$1,500 processing/appl fee	15 years	conduit provided by Company fiber pull of City's fiber	yes	no bond	\$500,000 property damage; \$1 million per accident; & \$500,000 per person	
Indianapolis, IN	741,952	Telecommunications Services of Indiana	\$40 permit fee for a single cut payable when appl submitted; additional cuts on new multiple-cut permit require added paymt of \$20 per cut	eff 01/88 (est) exp 01/13 (est) 25 yrs, subj to cancellation	none	yes	none * * no bond if Telecom has an indemnity agrt on file with Permit Sect of the Dept of Transportation	none *	not application
Kansas City, KS	149,767	MCI Telecommunications Inc.	\$1,500 upon passage, approval & required publication of ordinance; annual fixed fee of \$500, subject to review/modification if scope of cable system changes	20 years	none	not enumerated	none	none	not applicable
Madison, WI	191,262	Television Wisconsin, Inc. (dba WISC-TV Channel 3)	\$420 annual fee - year 1; to be increased by 3% for each year that the agreement is in effect	in effect until terminated	none	not enumerated	none	commercial general, including contractual, liab, w/no less than \$500,000 aggr per occurrence	not applicable

City of Tigard, Oregon
Fiber Optic Telecommunication Survey Right-of-Way Fees
(Schedule Prepared by: MAXIMUS)

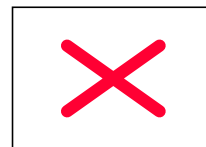
City Name	Population	Company Name	Compensation	Term (Years)	Other Compensation	Right to Audit?	Bond Requirement	Insurance	Definition of Revenue Compensation
								for bodily injury/death/property damage	
Memphis, TN	610,337	City Signal, Inc.	5% of gross receipts, payable quarterly	eff 11/01/92 exp 10/31/12 20 years	none	yes	\$50,000 minimum performance bond	\$500,000 personal injury to any person; \$1 million personal injury in any 1 accident; \$1 million prop dmg in any 1 accident; \$2 million umbrella coverage	gross receipts = any & all gross receipts derived from the furnishing of fiber optic communication service to subscribers with-in present or future corporate limits of City without purporting to be exhaustive
Metropolitan Nashville & Davidson County, TN	510,784	any company granted a franchise to provide fiber optic telecommunications services	5% of its gross revenues	effective when franchise is granted, term of 15 years	4 dark fiber optic fibers in backbone of Co's syst for use by metro govt for munic purp only; coordination/engineering assist for providing fiber optic accesses as metro govt may require; current list of all public/private bldgs in which it provides services	yes	\$500,000 1st 5 years, then reduced to \$250,000	\$1 million combined single limit/ bodily injury/real prop dmg any 1 occurrence; \$1 million aggr; \$1 million auto each accident/ single limit/bodily injury/prop dmg combined; workers' comp in min amt of statutory limit for same; \$500,000 employers liability	gross revenue = all receipts collected for all communications & related operations or services within corp limits of metro govt, & any other revenue arising from operation possession of the franchise, excluding rev uncollectible from customers
Minneapolis, MN	368,383	any company					\$500,000		
New Orleans, LA	496,938	MCI Telecommunications Corporation	\$9,280 for year 1 (subj to verification by Dept of Utilities); yrs 2-10 as set forth in a valid ord of gen appl to telecom co's & services 1-time fee of \$100	eff 05/01/85 exp 05/01/95 10 years	none	not enumerated	\$10,000 surety bond	none	not applicable
New York City, NY	7,322,560	Metropolitan Fiber Systems of New York, Inc. (MFS)	10% of gross revenue & 5% of ordinary gross rev from leases/sales, payable quarterly	15 years	for City's exclusive use: 1/3 of the max fiber count (betw 12 & 24 single mode fiber strands of dark fiber) in the backbone of the system	yes	\$5 million LOC during constr of init backbone, then \$1.75 mil for term	\$50 million min combined amt for bodily injury, death & prop damage, incl contractual liability as relates to co's indemnification obligation	gross revenue = rev rcvd by Company from customers for provision of telecom services + all rev rcvd by Company for lease &/or sale of any multiplexing or similar equipmt interconnected with or part of the building network
Pittsburgh, PA	369,879	Metropolitan Fiber Systems of Pittsburgh, Inc. (MFS)	5% of annual total local gross revenue derived from customers, payable quarterly	1 year, renewable annually if in compliance	none	yes	bond amt determined by Dir of Dept of Public Wks	insurance type & coverage set by the Director of Dept of Public Works in consultation with the City Solicitor	total local gross revenue = cash, credits or prop derived from the sale or exchange of private communications services within the City or in any way derived fr the operation of its private communications system
Plano, TX	128,713	Metropolitan Fiber Systems of Pittsburgh, Inc. (MFS)	greater of: 5% or \$5,000 annual payable quarterly	10 years	2 fiber pairs for City's own use including lateral lines	yes	\$500,000 surety bond		
Portland, OR	437,319	Electric Lightwave, Inc.	franchise fee of 5% of gross revenue payable quarterly	eff 10/01/90 exp 10/01/10	right to install or affix & maintain wires/equipment for municipal	yes	\$300,000 in force for term	public liability/property damage: \$300,000 pers injury per person,	gross revenues = gross revenues derived from provision of telecommunications

City of Tigard, Oregon
Fiber Optic Telecommunication Survey Right-of-Way Fees
(Schedule Prepared by: MAXIMUS)

City Name	Population	Company Name	Compensation	Term (Years)	Other Compensation	Right to Audit?	Bond Requirement	Insurance	Definition of Revenue Compensation
				10 yrs, unless terminated	purposes only upon any & all of Company's telecommunications system facilities without charge			\$500,000 per occurrence; but \$500,000 + costs of defense per occurrence involving prop dmg; OR \$500,000 single limit policy, per occur, covering all claims + costs of defense	services
St. Paul, MN	272,235	any company	5% of gross revenues, payable quarterly	effective when license granted for a term of 15 years	none	yes	\$500,000	not enumerated	gross revenues = all revenue derived from or in connection with the operation of the cable communications system
Tulsa, OK	367,302	any non-franchise, telecommunications cable company or carrier to whom a permit is granted	\$0.75 per linear ft annual fee \$0.75 per linear ft application fee	effective when permit granted until revoked by City	none	not enumerated	none	none	no additional



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

EXHIBIT 2

SURVEY: FRANCHISE, LICENSES, AND FEES

CITY OF TIGARD, OREGON
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY
SURVEY: FRANCHISE, LICENSES, AND FEES

City	Population	Annual Franchise Fee Revenue (\$)	Franchise Percent	Company	Term
Atlanta, GA	394,000	<p>\$250 per ROW crossing (\$5,500)</p> <p>\$250 per ROW Crossing (\$9,000)</p>	<p>\$5 per linear ft. 4% of gross revenues 3% of gross revenues \$5 per linear ft. 3% of defined revenues \$5 per linear ft. \$5 per linear ft. \$5 per linear ft. 4% of gross revenues \$5 per linear ft. 5% of gross revenues \$5 per linear ft.</p> <p>\$25,000 or 4% of gross, whichever is greater \$5 per conduit ft. \$5 per linear ft. \$25,000 or 4% of gross whichever is greater 5% of gross revenues</p>	<p>Access Transmission Services, Inc. Atlanta Cable Partners LP Atlanta Gas Light AT&T Community of Southern States BellSouth Crawford W. Long Hospital Georgia Baptist Medical Center Georgia Pacific Corporation Georgia Power Hooker Ten. Inc. c/o Cousins Properties, Inc. Hospitality Network Lincoln Investments MCI Telecommunications Corporation Metrex Corporation Morehouse College Robert W. Woodruff Arts Center, Inc. SoutherNet of the Southeast, Inc. Spectradyn, Inc. Whitel/Williams Community/Lightnet Corp.</p>	<p>N/A Unknown 40 years Min. 3 years Unknown N/A N/A N/A 25 years N/A N/A N/A N/A 10 years N/A N/A 10 years N/A N/A</p>
Chicago, IL	2,784,000	<p>\$2,300 one time processing fee</p> <p>Greater of \$3.54 per linear ft. in downtown area and \$1.77 per linear ft. outside of downtown or the annual gross billings based on fees</p>		<p>Teleport Communications</p> <p>Dignet Communication, Inc. - Midwest</p>	<p>15 years</p> <p>15 years</p>
Columbus, OH	633,000	No	<p>Cable service permit fee of 3% of gross revenues</p>	<p>ROW occupants must operate a cable communications system and have cable service permit.</p> <p>Warner Cable Coaxial Communications Ameritech New Media</p>	
Denver, CO	468,000	\$100,000 in 20 annual payments	<p>5% of gross revenue</p>	<p>MCI</p> <p>Teleport Denver, Ltd. with license agreement with Mile High Cablevision</p>	<p>N/A</p> <p>N/A</p>

CITY OF TIGARD, OREGON
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY
SURVEY: FRANCHISE, LICENSES, AND FEES

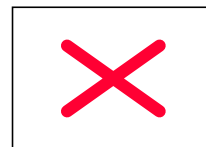
City	Population	Annual Franchise Fee Revenue (\$)	Franchise Percent	Company	Term
			5% of gross revenue plus - .10¢ per linear ft. of ROW occupied by newly constructed facilities (min. \$50)	Jones Lightwave of Denver	N/A
Houston, TX	1,638,000		4% of annual gross revenue plus \$2,000 per year processing fee	Metropolitan Fiber System Teleport	10 years 15 year
Los Angeles, CA	3,695,000		5% of gross revenues \$1.40 per cubic ft.	Times Mirror Cable Television The Post Group, Inc.	15 years 10 years
Miami, FL		4,300	3% of gross revenue 6% of revenues 3% of revenues taken in and received	Florida Gas Utilities Company Florida Power and Light Company Southern Bell Telephone and Telegraph Company	30 years 30 years 30 years
Milwaukee, WI	628,000	Difference between budget for Office of Telecommunications and the amount of franchise fee to be received 1 st 3 years following execution, make additional payments not to exceed \$50K, if requested by city for extraordinary construction costs	3% - 4% of gross annual revenues Up to 5% is allowed	Warner Amex Cable	15 years
Nashville, TN	511,000		5% of gross revenues	Fiber Optic Telecommunication Companies	15 years
New Orleans, LA	497,000	\$100 one time fee	\$9,280 yr. 1, year 2 - 10 as set forth in a valid ordinance applicable to telecommunication services	MCI	10 years
New York, NY	7,323,000		10% of gross revenue and 5% of ordinary gross revenue for leases and sales	Metropolitan Fiber Systems	15 years
Norfolk, VA		\$25,000 \$2,500 processing fee	5% of gross revenues Per the ordinance, the franchise has a right to fix a fair and reasonable compensation	Cox Cable Hampton Roads, Inc. Telecommunication Companies	15 years 10 years
Pittsburgh, PA	370,000	\$1 per linear ft. for each diameter of underground conduit or wire and .25 for aerial wire per annum	5% of annual total gross revenues from all revenues derived from transmissions that by pass LATA	Private communication systems that serve customers (Metropolitan Fiber Systems) Private communications which serves no customer	
Richmond, VA	203,000	N/A	5% gross revenue	Continental Cablevision of Richmond, Inc.	15 years

CITY OF TIGARD, OREGON
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY
SURVEY: FRANCHISE, LICENSES, AND FEES

City	Population	Annual Franchise Fee Revenue (\$)	Franchise Percent	Company	Term
		N/A	N/A	VEPCO	25 years
		Expired	Expired	C/P	30 years
				Preliminary Franchise Ordinance	40 years
				Metropolitan Fiber System of Richmond, Inc.	
St. Petersburg, FL	239,000	\$300 permit request	5% of annual gross revenue	Paragon Cable	15 years
			5% of gross revenues	GTE Media Ventures	10 years
			6% of revenues from sale of electric energy	Florida Power Corporation	30 years
			1% of monthly gross receipts on recurring local service revenue	GTE Florida, Inc. (Telecommunications)	10 years
		<u>Years</u> <u>Fees</u>			
		1 - 5 years 50,000	10% of gross operating revenue plus 2% when gross revenue exceeds 2.5 million and	TM Communication Company of Florida	20 years
		6 - 10 years 100,000	3% when gross revenue exceeds \$3.0 million		
		11 - 20 years 150,000	6% of gross revenue from the sale of natural gas	Peoples Gas, Inc.	10 years
			4% of gross receipts received	United Gas Corporation	30 years
Tampa, FL	280,000		5% of gross revenue	Peoples Gas System	20 years
			1% of gross receipts less permit fees paid pursuant to ordinances	GTE Florida	9 years
			4.6% of gross revenues	Tampa Electric Co.	20 years
Wilmington, DE	72,000	No Response	2% of gross amount	Wilmington City Electric Company	N/A



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

EXHIBIT 3

UTILITY FRANCHISE AGREEMENT CRITIQUES

PRIVATE AND CONFIDENTIAL

City of Tigard, Oregon
Summary: Executed Utility Franchise/License Agreements and Pertinent City Code Rights-of-Way Chapters

UTILITY	TYPE OF UTILITY	ORDINANCE NUMBER	PURPOSE	EFFECTIVE DATE	TERM (yrs)	EXPIRATION DATE	COMPENSATION PAYMENT SCHEDULE	COMPENSATION AMOUNT	REVENUE DEFINITION	RIGHT-TO-AUDIT PROVISION	INTEREST FOR LATE PAYMENT	FAVORED NATIONS CLAUSE	COMMENTS	CURRENT FRANCHISE FEE PAYMENT
All Telecommunications providers	Master Telecommunications Franchise Ordinance	Tigard Municipal Code Chapter 5.14 update 3/2002. Revised Ordinance No. 00-35 passed 12/19/2000.	(a) Comply with the provisions of the 1996 Telecommunications Act (b) Promote competition on a competitively neutral basis (c) Encourage provision of advanced and competitive telecommunications services (d) Permit and manage reasonable access to the public ROW (e) Assure that the City's current and ongoing costs of granting and regulating private access to and the use of the public ROW are fully compensated by the persons seeking access and; (f) Secure fair and reasonable compensation to the City and its residents for permitting private use of the public ROW.	Updated 03/02	10-15 [Sec. 5.14.070]; Term to be defined in executed franchise agreement	To be defined in executed franchise agreement.	Payable semiannually by 3/15/xy for six month period ended 12/31/xx and 9/15/xx for the six month period ended 6/30/xx. [Sec. 5.14.080(5)]	See Sec. 5.14.080; Amount to be defined in executed Franchise Agreement.	Gross revenue generated within the City includes monthly service charges paid by customers within the City, the full amount of charges for separately charged trasmissions originating and received within the City, half the amount fo separately charged transmissions that either originate or are received within the City but are received or orinate outside the City, any amounts received for rental of facilities within the right-of-way, and any other amounts received by the franchisee for services (including reslae services) provided by the franchisee that use facilities within the reight of way.[Sec. 5.14.080(2)]	Within 10 business days of a written request from the City, franchisee shall furnish the City... [Sec. 5.14.220]	One percent per month late. [Sec. 5.14.080(5)]	5.14.230 - If the City contracts for use of telecommunications facilities, services, installation or maintenance from the franchisee, the franchisee shall charge the City franchisee's most favorable rate offered at the time of the request to similar users within Oregon for a similar volume of service, subject to state law. With the City's permission, the franchisee may deduct any applicable charges from franchise fee payments. Other terms and conditions of services provided by franchisee to the City may be specified in a separate agreement.	Lessee's of capacity or bandwidth must obtain a telecom franchise. [Sec. 5.14.210]	
GTE NW	Telecommunications	92-? Renewing Ord. 82-12. Replaced and repealed by 93-08.		3/8/1992	10	3/8/2002								
GTE NW	Telecommunications	93-08	Renewed the franchise of GTE; Replaced and repealed 82-12 and any amendments thereto.	2/23/1993	10	2/23/2003	Payable semiannually by 3/15/xy for six month period ended 12/31/xx and 9/15/xx for the six month period ended 6/30/xx.	5% of Gross Revenues derived from exchange access services, as defined in ORS 401.710 within the city limits. City has right to change percentage with 180 day notice.	Not defined.	The City shall have the right to conduct or cause to be conducted, an audit of gross revenues as defined herein. Such audits may be conducted at 2 year intervals beginning 2 years after the effective date of this agreement. The City shall conduct the audit at its own expense. Payments due within 60 days after discovery of error.	None specified.	None specified.		
GTE NW	Telecommunications	90-16	Amended 82-12. Replaced and repealed by 93-08.	Passed 5/21/1990 to be effective 7/1/1990 to comply with Oregon Revised Statutes Chapter 484.	1-8/12	3/8/1992	Such payments shall be made by Grantee on or before 3/15 or each year for the calendar year preceding and the first and last payments shall be for the fractional part of the calendar year, during which this franchsie is in effect.	5% of gross revenues derived from exchange access services as defined in ORS 401.710 beginning 7/1/1990.	ORS 401.710 - Exchange Access Services: (a) telephone exchange access lines or channels that provide local access by a subscriber in this state to the local telecommunications network to effect the transfer of information; and (b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in paragraph (a)					\$ 268,786.90
GTE NW	Telecommunications	82-12	Renewing Franchise	3/8/1982	10 Years	3/8/1992		3% of gross revenues.						
GTE NW	Telecommunications	92 -	Renewing Ordinance No. 82 -12	8-Mar-92	10 Years	3/8/2002								
Amendment to City Code adding Chapter 5.14, Telecommunications Franchises	Telecommunications	Ordinance No. 00-35		19-Dec-00										

PRIVATE AND CONFIDENTIAL

City of Tigard, Oregon
Summary: Executed Utility Franchise/License Agreements and Pertinent City Code Rights-of-Way Chapters

UTILITY	TYPE OF UTILITY	ORDINANCE NUMBER	PURPOSE	EFFECTIVE DATE	TERM (yrs)	EXPIRATION DATE	COMPENSATION PAYMENT SCHEDULE	COMPENSATION AMOUNT	REVENUE DEFINITION	RIGHT-TO-AUDIT PROVISION	INTEREST FOR LATE PAYMENT	FAVORED NATIONS CLAUSE	COMMENTS	CURRENT FRANCHISE FEE PAYMENT
Sprint Spectrum, L.P.	Wireless		To lease space to SSLP by Tigard Water District; PCS Site Agreement	May-96	5 Years	Automatically renews every 5 years unless notice not to renew is received.	Annually	11400; increased 20% every renewal term						No payment being made
All-Phase Utility Corporation	Telecommunications	Ordinance No. 00-01	Execute franchise agreement	17-Feb-00	10 Years	17-Feb-10	Every 6 months for the life of the agreement on or before March 15 for the six month period ended December 31 and September 15 for the six month period ended June 30	5% of gross revenues derived from exchange access services as defined in ORS 401.710 less net uncollectibles. Such 5% payment will be accepted in payment of any license, privilege or occupation tax or fee charged for regulatory or revenue purposes.	ORS 401.710 - Exchange Access Services: (a) telephone exchange access lines or channels that provide local access by a subscriber in this state to the local telecommunications network to effect the transfer of information; and (b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in paragraph (a)	City shall have the right to conduct, or cause to be conducted, an audit of gross revenues. Such audits may be conducted at two year intervals beginning two years after the effective date of this agreement. The City shall conduct the audit at its own expense. Any difference of payment due shall be payable within 60 days after discovery of such error.				No payment being made
Electric Lightwave Inc.	Competitive Telecommunications Provider	Ordinance No. 93-05	To grant a franchise	26-Jan-93	10 Years	26-Jan-03	Quarterly on or before 45 days aftr the preceding quarter commencing with the quarter ending March 31, 1993 and continuing for each quarter for the term of the franchise.	\$3,000 application fee; 5% of gross revenues earned on telecommunication services	All revenues earned on services provided by Grantee including and limited to: 1. Connections between intrexchange carriers or competitive carriers and any entity other than another interexchange carrier, competitive or a telephone company providing local exchange services; 2. Connections between entities other than interexchange carriers, competitive carriers or telephone companies providing local exchange services; 3. Design, engineering, construction and maintenance of fiber optic cable links that are not otherwise connected to Grantee's telecommunications system.	The City shall have the right to conduct or cause to be conducted, an audit of gross revenues as defined herein. An difference of payment due either the City or Grantee through error or otherwise as agreed upon by both the City and Grantee, shall be payable within 30 days after discovery of such error.				\$ 20,939.38
FirstPoint Communications, Inc.	Competitive Telecommunications Provider	Ordinance No. 97 - 07	To grant a franchise	27-Jul-97	10 Years	27-Jul-07	Quarterly on or before 45 days after the preceding quarter commencing with the quarter ending September 30, 1997 and continuing for each quarter for the term of the franchise.	\$3,000 application fee; 5% of gross revenues earned on telecommunications services and one per cent on all other gross revenues from the sale or lease of optical fiber or services to other telecommunication service providers.	...services provided by Grantee including and limited to: 1. Connections between interexchange carriers or competitive carriers and any entity other than another interexchange carrier, competitive carrier or a telephone company providing local exchange services; 2. Connections between entities other than interexchange carriers, competitive carriers or telephone companies providing local exchange services; 3. Gross revenues derived from exchange access services, as defined in ORS 401.710 within the City limits.	City shall have the right to conduct or cause to be conducted, an audit of gross revenues as defined herein. Any difference of payment due either the City or Grantee through error or otherwise as agreed upon by both the City and Grantee shall be payable within 30 days after discovery of such error.	Payments not received by the 45th day of each quarter will be assessed interest at the rate of one per cent over the existing prime rate, compounded daily.	City has the right to expand the definition of gross revenues after 90 days written notice to Grantee if any of the following occur: 1. The City collects franchise fees or privilege taxes from any other provider of telecommunication services on revenues from services substantially similar to those offered by Grantee, but are not within the current subsection (c) definition of gross revenues; 2. State law changes concerning the telecommunication services included in the revenue base for franchise fees or privilege taxes on telecommunication utilities; 3. State law changes concerning the definition of competitive and non-competitive telecommunication services.	1. Payments shall be accompanied by a statement of how the total due amount was calculated, including an explanation of gross revenue for services to each customer for whom one end-point of service was located outside the City. 2. The City shall have the right to change the percentage of gross revenues set forth above at any time during the life of the agreement provided it has made such notice in writing at least 180 days prior to the effective date of any change.	No payment being made

PRIVATE AND CONFIDENTIAL

City of Tigard, Oregon
Summary: Executed Utility Franchise/License Agreements and Pertinent City Code Rights-of-Way Chapters

UTILITY	TYPE OF UTILITY	ORDINANCE NUMBER	PURPOSE	EFFECTIVE DATE	TERM (yrs)	EXPIRATION DATE	COMPENSATION PAYMENT SCHEDULE	COMPENSATION AMOUNT	REVENUE DEFINITION	RIGHT-TO-AUDIT PROVISION	INTEREST FOR LATE PAYMENT	FAVORED NATIONS CLAUSE	COMMENTS	CURRENT FRANCHISE FEE PAYMENT
Level 3	Telecommunications services	Ordinance No. 00-21	To grant a franchise	15-Jun-00	10 Years	23-May-10	Semi annual; on or before March 15 for the 6 month period ended December 31 and September 15 for the 6 month period ended June 30	5% of gross revenues derived from exchange access services as defined in ORS 401.710 within the city limits less net uncollectibles. Such 5% payment will be acceted by the City from the Grantee also in payment of any license, privilege or occupation tax or fee charged for regulatory or revenue purposes. The 5% payment is not accepted in satisfaction of payments due to City for the failure of Grantee to perform any of Grantee's obligations pursuant to the franchise agreement including but not limited to Grantee's obligations to bear the cost of repairs under Section 4 and the cost of relocation under Section 6.	ORS 401.710 - Exchange Access Services: (a) telephone exchange access lines or channels that provide local access by a subscriber in this state to the local telecommunications network to effect the transfer of information; and (b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in paragraph (a)	The City shall have the right to conduct or cause to be conducted an audit of gross revenues. Such audits may be conducted at two year intervals beginning two years after the effective date of the agreement. The City shall conduct the audit at its own expense. Any difference of payment due either the City or Grantee through error or otherwise as agreed upon by both the City and Grantee shall be payable within 60 days after discovery of such error.			The City shall have the right to change the percentage of gross revenues set forth at any time during the agreement provided it has made such notice in writing at least 180 days prior to the effective date of any change.	No payments being made.
MCI Metro Access Transmission Services, LLC	Telecommunications	Ordinance No. 99-25	Grant franchise for communication facilities and services	14-Sep-99	10 Years	14-Sep-09	Semi annual; every 6 months for the life of the agreement on or before March 15 for the 6 month period ended December 31 and September 15 for the 6 month period ended June 30	5% of gross revenues derived from exchange access services as defined in ORS 401.710 within the City limits less uncollectibles. Such 5% payment will be accepted by the City from the Grantee also in payment of any license, privilege or occupation tax or fee charged for regulatory or revenue purposes. The 5% payment is not accepted in satisfaction of payments due to City for the failure of Grantee to perform any of Grantee's obligations pursuant to the agreement including but not limited to Grantee's obligations to bear the cost of repairs under Section 4 and cost of relocation under Section 6.	ORS 401.710 - Exchange Access Services: (a) telephone exchange access lines or channels that provide local access by a subscriber in this state to the local telecommunications network to effect the transfer of information; and (b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in paragraph (a)	The City shall have the right to conduct, or cause to be conducted, an audit of gross revenues as defined herein. Such audits may be conducted at two year intervals beginning two years after the effective date of the agreement. The City shall conduct the audit at its own expense. Any difference of payment due either the City or Grantee through error or otherwise as agreed upon by both the City and Grantee shall be payable within 60 days after discovery of such error.			The City shall have the right to change the percentage of gross revenues set forth above at any time during the life of the agreement provided it has made such notice in writing at least 180 days prior to the effective date of any change.	No payment being made. MCI Worldcom paid \$9,673.94
McLeodUSA Telecommunications Services, Inc.	Telecommunications	Ordinance No. 00-24	To grant a franchise	11-Jul-00	10 Years	11-Jul-10	Semi-annual; every 6 months for the life of the agreement on or before March 15 for the 6 month period ended December 31 and September 15 for the 6 month period ended June 30	5% of the gross revenues derived from exchange access services, as defined in ORS 401.710, within the city limits less uncollectibles. Such 5% will be accepted by the City from the Grantee also in payment of any license, privilege or occupation tax or fee charged for regulatory or revenue purposes. The 5% payment is not accepted in satisfaction of payments due to City for the failure of Grantee to perform any of Grantee's obligations pursuant to the agreement including but not limited to Grantee's obligations to bear the cost of repairs under Section 4 and the cost of relocation under Section 6.	ORS 401.710 - Exchange Access Services: (a) telephone exchange access lines or channels that provide local access by a subscriber in this state to the local telecommunications network to effect the transfer of information; and (b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in paragraph (a)	The City shall have the right to conduct and audit of gross revenues. Such audits may be conducted at two year intervals beginning two years after the effective date of this agreement. The City shall conduct the audit at its own expense. Any difference of payment due either the City or Grantee through error or otherwise as agreed upon by both the City and Grantee shall be payable within 60 days after discovery of such error.			The City shall have the right to change the percentage of gross revenues at any time during the life of this agreement provided it has made such notice in writing at least 180 days prior to the effective date of any change.	No payment being made.

PRIVATE AND CONFIDENTIAL

City of Tigard, Oregon
Summary: Executed Utility Franchise/License Agreements and Pertinent City Code Rights-of-Way Chapters

UTILITY	TYPE OF UTILITY	ORDINANCE NUMBER	PURPOSE	EFFECTIVE DATE	TERM (yrs)	EXPIRATION DATE	COMPENSATION PAYMENT SCHEDULE	COMPENSATION AMOUNT	REVENUE DEFINITION	RIGHT-TO-AUDIT PROVISION	INTEREST FOR LATE PAYMENT	FAVORED NATIONS CLAUSE	COMMENTS	CURRENT FRANCHISE FEE PAYMENT
Metromedia Fiber Network Services, Inc.	Telecommunications	Ordinance No. 00-25	To grant a franchise	11-Jul-00	10 Years	11-Jul-10	Semi-annual; every 6 months for the life of the agreement on or before March 15 for the 6 month period ended December 31andf September 15 for the 6 month period ended June 30 Such 5% payment will be accepted by the City from the Grantee also in payment of any license, privilege or occupation tax or fee charged for regulatory or revenue purposes. The 5% payment is not accepted in satisfaction of payments due to City for the failure of Grantee to perform any of Grantee's obligations pursuant to the franchise agreement including but not limited to Grantee's obligations to bear the cost of repairs under Section 4 and the cost of relocation under Section 6.	5% of gross revenues derived from exchange access services, as defined in ORS 401.710, and lease revenues to the extent that lease revenues are separate from and in addition to revenues derived from exchange access services within the City less uncollectibles.	ORS 401.710 - Exchange Access Services: (a) telephone exchange access lines or channels that provide local access by a subscriber in this state to the local telecommunications network to effect the transfer of information; and (b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in paragraph (a)	The City shall have the right to conduct, or cause to be conducted, an audit of gross revenues. Such audits may be conducted at two year intervals beginning two years after the effective date of the agreement. The city shall conduct the audit at is own expense. Any difference of payment due either the City or Grantee through error or otherwise as agreed upon by both the City and Grantee shall be payable within 60 days after discovery of such error.			The City shall have the right to change the percentage of gross revenues set forth above at any time during the life of the agreement provided it has made such notice in writing at least 180 days prior to the effective date of any change.	No payment being made.
Metropolitan Fiber Systems of Oregon, Inc.	Competitive Telecommunications Provider	Ordinance No. 97-10	To grant a franchise	12-Aug-97	10 Years	12-Aug-07	Quarterly on or before 45 days after the preceding quarter commencing with the quarter ending September 30, 1997 and continuing for each quarter for the term of this franchise.	\$3,000 application fee; 5% of the gross revenues earned on telecommunications services in the City.	Revenues earned on services provided by Grantee including and limited to: 1. Connections between interexchange carriers or competitive carriers and any entity other than another interexchange carrier, competitive carrier or a telephone company providing local exchange services; 2. connections between entities other than interexchange carriers, competitive carriers or telephone companies providing local exchange services; 3. design, engineering, construction and maintenance of fiber optic cable links that are not otherwise connected to Grantee's telecommunications system; 4. gross revenues derived from exchange access services, as defined in ORS 401.710 within City limits.	City shall have the right to conduct, or cause to be conducted, an audit of gross revenues. Any difference of payment due either the City or Grantee through error or otherwise as agreed upon by both the city and Grantee shall be payable within 30 days after discovery of such error.			1. City has the right to expand the definition of gross revenues earned on telecommunication services. 2. City has the right to change the percentage of gross revenues at any time during the life of this agreement provided it has made such notice in writing at least 180 days prior to the effective date of any change.	MFS is WorldCom. Annual payment is \$9,673.94
NEXTLINK Oregon, Inc.	Telecommunications	Ordinance No. 00-20	To grant a franchise	25-Apr-00	10 Years	25-Apr-10								

PRIVATE AND CONFIDENTIAL

City of Tigard, Oregon
Summary: Executed Utility Franchise/License Agreements and Pertinent City Code Rights-of-Way Chapters

UTILITY	TYPE OF UTILITY	ORDINANCE NUMBER	PURPOSE	EFFECTIVE DATE	TERM (yrs)	EXPIRATION DATE	COMPENSATION PAYMENT SCHEDULE	COMPENSATION AMOUNT	REVENUE DEFINITION	RIGHT-TO-AUDIT PROVISION	INTEREST FOR LATE PAYMENT	FAVORED NATIONS CLAUSE	COMMENTS	CURRENT FRANCHISE FEE PAYMENT
Northwest Natural Gas Company	Natural Gas	Ordinance No. 93-29	To grant a franchise	26-Oct-93	10 Years	26-Oct	Semi-annual; due for each calendar half year within 60 days after the close of such calendar half year	3% of gross revenue collected by the Grantee from its customers for gas consumed within the City.	...to include any revenue earned within the City from the sale of natural gas after deducting from the total billings of the Grantee the total net write off of uncollectible accounts and revenues derived from the sale or transportation of gas supplied under an interruptible tariff schedule. Gross revenue shall include revenues from the use, rental or lease of operating facilities of the utility other than residential-type space and water heating equipment. Gross revenues shall not include proceeds from the sale of bonds, mortgage or other evidence of indebtedness, securities or stocks, sales at wholesale to a public utility when the utility purchasing the service is not the ultimate consumer, or revenue paid directly by the United States of America or any of its agencies.	The Grantee shall keep accurate books of account at an office in Oregon for the purpose of determining the amounts due to the City. The City may inspect the books of account at any time during business hours and may audit the books from time to time. The Council may require periodic reports from the Grantee relating to its operations and revenues within the City.			1. The City shall retain the right to charge a privilege tax in addition to the franchise fee ... on the gross revenues of the company. 2. The City shall have the right to change the percentage of gross revenues at any time during the life of the agreement provided it has made such notice in writing at least 180 days prior to the effective date of any change. 3. Acceptance by the City of any payment shall not be deemed to be a waiver by the City of any breach of this franchise occurring prior thereto, nor shall the acceptance by the City of any such payments preclude the City from later establishing that a larger amount was actually due, or from collecting any balance due to the City.	\$ 386,921.23
Portland General Distribution Company	Telecommunications	Ordinance No. 00-29	To grant a franchise	24-Oct-00	10 Years	24-Oct-10	Semi-annual; every 6 months for the life of this agreement on or before March 15 for the 6 month period ended December 31 and September 15 for the 6 month period ended June 30	...greater of \$7,500 per year or 5% of the gross revenues derived from exchange access services, as defined in ORS 401.710, and lease revenues to the extent that lease revenues are separate from and in addition to revenues derived from exchange access services within the City limits less net uncollectibles. ...Such franchise payment will be accepted in payment of any license, privilege or occupation tax or fee charged for regulatory or revenue purposes. The franchise payment is not accepted in satisfaction of payments due to City for the failure of Grantee to perform any of Grantee's obligations to bear the cost of repairs and costs of relocation.	ORS 401.710 - Exchange Access Services: (a) telephone exchange access lines or channels that provide local access by a subscriber in this state to the local telecommunications network to effect the transfer of information; and (b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in paragraph (a)	The City shall have the right to conduct, or cause to be conducted, an audit of franchise payments. Such audits may be conducted at two year intervals beginning two years after the effective date of this agreement. The City shall conduct the audit at its own expense. Any difference of payment due either the City or Grantee through error or otherwise as agreed upon by both the City and Grantee, shall be payable within 60 days after discovery of such error.			The City shall have the right to change the percentage of gross revenues at any time during the life of this agreement to any amount permitted by law provided it has made such notice in writing at least 180 days prior to the effective date of any change.	\$ 7,500.00
US West Communications (Qwest)	Telecommunications	Ordinance No. 97-01	To renew a franchise; This ordinance shall replace and repeal the prior franchise with Pacific Northwest Bell Telephone Company, Ordinance No. 73-23 adopted July 23, 1973 and any amendments. In addition, it is agreed by the City and Grantee that the terms of Ordinance No. 73-23 remained in effect from July 23, 1993 until the effective date of this ordinance.	11-Feb-97	10 Years	11-Feb-07	Semi-annual; payments shall be made to the City every 6 months for the life of the agreement on or before March 15 for the 6 month period ended December 31, and September 15 for the 6 month period ended June 30	...5% of the gross revenues derived from exchange access services, as defined in ORS 401.710 within the city limits less net uncollectibles. ...Such 5% payment will be accepted by the City from the Grantee also in payment of any license, privilege or occupation tax or fee for revenue or regulation, or any permit fees or similar charges for street opening, installations, construction or for any other purpose related to providing telecommunications services as defined in this franchise, now or hereafter to be imposed by the city upon the Grantee during the term of this franchise.	ORS 401.710 - Exchange Access Services: (a) telephone exchange access lines or channels that provide local access by a subscriber in this state to the local telecommunications network to effect the transfer of information; and (b) unless a separate tariff rate is charged therefor, any facility or service provided in connection with the services described in paragraph (a)	The City shall have the right to conduct to be conducted, an audit of gross revenues as defined herein. Such audits may be conducted at two year intervals beginning two years after the effective date of this agreement. The City shall conduct the audit at its own expense. Any difference of payment due either the city or grantee through error or otherwise as agreed upon by both the city and grantee, shall be payable within 60 days after discovery of such error.			The City shall have the right to change the percentage of gross revenues at any time provided it has made such notice in writing at least 180 days prior to the effective date of any change.	\$ 32,594.13

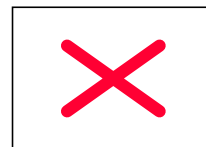
PRIVATE AND CONFIDENTIAL

City of Tigard, Oregon
Summary: Executed Utility Franchise/License Agreements and Pertinent City Code Rights-of-Way Chapters

UTILITY	TYPE OF UTILITY	ORDINANCE NUMBER	PURPOSE	EFFECTIVE DATE	TERM (yrs)	EXPIRATION DATE	COMPENSATION PAYMENT SCHEDULE	COMPENSATION AMOUNT	REVENUE DEFINITION	RIGHT-TO-AUDIT PROVISION	INTEREST FOR LATE PAYMENT	FAVORED NATIONS CLAUSE	COMMENTS	CURRENT FRANCHISE FEE PAYMENT
Portland General Electric	Electricity	Ordinance No. 93-07	To grant a franchise	1-Jan-93	20 years		Annually no later than April 1st	That in consideration of the rights and privileges, the company shall pay to the city a franchise fee for each full calendar year during the life of this franchise beginning with the year 1993 an annual fee of 3.5% of the gross revenue as defined in the agreement.	Gross revenue shall be deemed to include any revenue earned within the city from the sale of electric energy after adjustment for the net write-off of uncollectible accounts computed on the average annual rate for the company and to exclude sales of electric energy sold by the company to any public utility when the public utility purchasing such electric energy is not the ultimate consumer.	City reserves the right to conduct, or cause to be conducted, an audit of gross revenues		In the event any City or municipal corporation served by PGE shall charge PGE a franchise fee or more than 3.5%, and PGE does not, or is not permitted to itemize or bill any fee, or excess fee, to customers within that City then City shall forthwith be informed and shall have right to require and shall receive, if it shall so elect, the same percentage fee as shall be charged by such other City or municipal corporation on PGE's gross revenue within the City as defined in the ordinance.	The Company shall file with the City recorder a statement under oath showing the amount of gross revenue of the Company within the City on the basis outlined for the calendar year immediately preceding the year in which the statement was filed.	\$ 1,421,889.54



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

EXHIBIT 4

SUMMARY: CITY OF TIGARD LEGAL COSTS

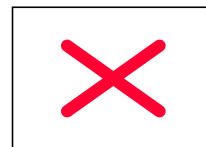
Matter	Period Through 7/15/2001	Period Through 7/31/2001	Period Through 8/15/2001	Period Through 8/31/2001	Period Through 9/15/2001	Period Through 9/30/2001	Period Through 10/15/2001	Period Through 10/31/2001	Period Through 11/15/2001	Period Through 11/30/2001	Period Through 12/15/2001	Period Through 12/31/2001	Total	Percent of Total
Labor Personnel	\$ -	\$ -	\$ -	\$ 2,116.00	\$ 2,199.00	\$ 338.00	\$ 37.50	\$ 392.50	\$ 490.00	\$ -	\$ -	\$ -	\$ 5,573.00	5%
Risk Mgmt Insurance	\$ 105.00	\$ 62.60	\$ -	\$ 495.75	\$ -	\$ -	\$ 75.00	\$ 37.50	\$ -	\$ -	\$ 105.00	\$ 113.90	\$ 994.75	1%
Municipal Courts	\$ 1,157.00	\$ 2,015.00	\$ 633.50	\$ 1,469.50	\$ 1,222.00	\$ 2,899.00	\$ 2,691.00	\$ -	\$ 2,457.00	\$ 715.75	\$ 1,963.00	\$ 598.00	\$ 17,820.75	17%
Community Development/Urban	\$ 840.00	\$ 2,474.39	\$ 60.00	\$ 1,184.75	\$ 285.00	\$ 1,519.10	\$ 1,032.50	\$ 695.41	\$ 75.00	\$ 171.40	\$ -	\$ -	\$ 8,337.55	8%
Elections/Public Meeting	\$ -	\$ -	\$ -	\$ -	\$ 30.00	\$ 25.00	\$ 15.00	\$ -	\$ -	\$ 45.00	\$ 630.00	\$ -	\$ 745.00	1%
Finance/Fees/Taxation	\$ 698.00	\$ 844.60	\$ 805.00	\$ 242.15	\$ -	\$ 226.55	\$ 105.00	\$ 385.00	\$ 165.00	\$ 90.00	\$ 135.00	\$ 794.00	\$ 4,490.30	4%
General/Council	\$ 1,096.50	\$ 4,113.80	\$ 3,286.50	\$ 4,194.85	\$ 816.50	\$ 3,536.09	\$ 1,473.00	\$ 2,646.80	\$ 1,449.50	\$ 895.40	\$ 1,098.50	\$ 2,688.20	\$ 27,295.64	26%
Hearings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Intergovt Actions/Boundaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Police/Fire	\$ 60.00	\$ -	\$ -	\$ 46.50	\$ 105.00	\$ 26.00	\$ 832.50	\$ 239.48	\$ 225.00	\$ -	\$ -	\$ 47.80	\$ 1,582.28	2%
Public Works	\$ -	\$ 90.00	\$ -	\$ 703.85	\$ 55.00	\$ 28.85	\$ 315.00	\$ -	\$ 466.00	\$ 195.80	\$ 195.00	\$ 33.60	\$ 2,083.10	2%
Parks & Recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89.20	\$ 60.00	\$ -	\$ 22.50	\$ -	\$ 171.70	0%
Real Property	\$ 592.50	\$ 500.54	\$ 1,050.00	\$ 2,023.30	\$ 1,240.00	\$ 1,533.69	\$ 2,670.00	\$ 1,325.05	\$ 3,150.00	\$ 3,137.04	\$ 3,817.50	\$ 3,146.31	\$ 24,185.93	23%
Engineering	\$ 705.00	\$ 225.00	\$ -	\$ 75.00	\$ 60.00	\$ 45.18	\$ 30.00	\$ 30.00	\$ -	\$ 260.00	\$ 525.00	\$ 181.25	\$ 2,136.43	2%
Contract Drafting	\$ -	\$ -	\$ -	\$ 180.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180.00	0%
Dartmouth LID	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45.00	0%
Martin Litigation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20.00	\$ -	\$ -	\$ 20.00	0%
Gordon Martin Condemnation								\$ 135.00	\$ -	\$ -	\$ -	\$ -	\$ 135.00	0%
Martin Appeal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Martin Circuit Court (Writ of Review)	\$ -	\$ 561.20	\$ 490.00	\$ 3,550.79	\$ -	\$ 30.00	\$ -	\$ 90.00	\$ -	\$ -	\$ -	\$ 165.00	\$ 4,886.99	5%
Martin Tax Court	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Martin Supreme Court	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Tigard Water District Withdrawal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Joint Water Agency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Tigard Water Department	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Regional Drinking Water Supply	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Schrauger, Rosemary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Roger's Machinery v. Wash. (Appeals)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20.20	0%
Roger's Machinery v. Wash. (Supreme)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Metro 2040 (Title 3) LUBA Appeal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
69th Avenue LID	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31.60	\$ 31.60	0%
69th Avenue LID/Peirce Condemnation	\$ 35.00	\$ -	\$ -	\$ 755.00	\$ 325.50	\$ 125.00	\$ -	\$ 45.00	\$ -	\$ 30.00	\$ 150.00	\$ 140.50	\$ 1,606.00	2%
Williamette Water Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
White Condemnation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Morford Condemnation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
LUBA-Jean Haskell Trust	\$ -	\$ -	\$ -	\$ 181.00	\$ -	\$ -	\$ -	\$ 39.00	\$ 372.00	\$ 651.20	\$ -	\$ -	\$ 1,243.20	1%
Land Use Application (Library)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
	\$ 5,289.00	\$ 10,887.13	\$ 6,325.00	\$ 17,218.44	\$ 6,338.00	\$ 10,397.66	\$ 9,276.50	\$ 6,149.94	\$ 8,909.50	\$ 6,211.59	\$ 8,641.50	\$ 7,940.16	\$ 103,584.42	100%

Matter	Period Through 1/15/2002	Period Through 1/31/2002	Period Through 2/15/2002	Period Through 2/28/2002	Period Through 3/15/2002	Period Through 3/31/2002	Period Through 4/15/2002	Period Through 4/30/2002	Period Through 5/15/2002	Period Through 5/31/2002	Period Through 6/15/2002	Period Through 7/15/2002	Period Through 7/31/2002	Period Through 8/15/2002	Period Through 8/31/2002	Period Through 9/15/2002	Period Through 9/30/2002	Period Through 10/15/2002	Period Through 10/31/2002	Period Through 11/15/2002	Period Through 11/30/2002	Period Through 12/15/2002	Period Through 12/31/2002	Total	Percent of Total
Labor Personnel									\$ 1,252.50				\$ 45.00	\$ 30.00									\$ 120.00	\$ 1,447.50	1%
Risk Mgmt Insurance							\$ 272.20			\$ 90.00			\$ 71.28	\$ 25.00		\$ 578.00	\$ 137.40		\$ 345.00		\$ 90.00			\$ 1,608.88	1%
Municipal Courts	\$ 468.00	\$ 988.00			\$ 1,326.00	\$ 949.00	\$ 498.00	\$ 911.00	\$ 1,599.00	\$ 430.20	\$ 2,210.00	\$ 650.00	\$ 949.00	\$ 910.00	\$ 456.20	\$ 988.00	\$ 1,625.00		\$ 2,212.70	\$ 1,729.00	\$ 507.00	\$ 988.00	\$ 1,066.00	\$ 21,460.10	13%
Community Development/Urban	\$ 229.20	\$ 1,008.75	\$ 1,435.00	\$ 1,616.10	\$ 525.00	\$ 833.70	\$ 60.00	\$ 150.00	\$ 1,512.50	\$ 1,564.40	\$ 340.00	\$ 840.00	\$ 295.50	\$ 75.00	\$ 315.70	\$ 240.00	\$ 97.50	\$ 430.00	\$ 360.38	\$ 90.00	\$ 355.40	\$ 380.00	\$ 77.60	\$ 12,831.73	8%
Elections/Public Meeting	\$ 120.00	\$ 390.00	\$ 285.00	\$ 60.00	\$ 425.00	\$ 246.75	\$ 345.00	\$ 75.00	\$ 105.00	\$ 30.00				\$ 30.00										\$ 2,111.75	1%
Finance/Fees/Taxation	\$ 135.00	\$ 221.20			\$ 30.00		\$ 825.00	\$ 5,650.20	\$ 410.00	\$ 104.11	\$ 140.00		\$ 370.40	\$ 1,005.00	\$ 152.40	\$ 330.00	\$ 165.00	\$ 150.00	\$ 195.00	\$ 90.00	\$ 91.60	\$ 270.00	\$ 70.00	\$ 10,404.91	6%
General/Council	\$ 1,689.50	\$ 1,660.24	\$ 276.50	\$ 634.47	\$ 614.00		\$ 588.10	\$ 796.00	\$ 719.00	\$ 2,186.92	\$ 1,986.50	\$ 591.50	\$ 471.75	\$ 1,019.00	\$ 775.48	\$ 2,343.12	\$ 328.41	\$ 1,674.00	\$ 698.25	\$ 1,110.00	\$ 697.68	\$ 720.00	\$ 530.64	\$ 22,111.06	13%
Hearings		\$ 1,230.00	\$ 1,365.00	\$ 825.00	\$ 660.00	\$ 540.00	\$ 915.00	\$ 1,205.00	\$ 705.00	\$ 540.00	\$ 585.00	\$ 900.00	\$ 817.50	\$ 930.00	\$ 1,095.00	\$ 540.00	\$ 1,020.00	\$ 75.00	\$ 442.50	\$ 1,687.50	\$ 825.00	\$ 525.00	\$ 405.00	\$ 17,832.50	11%
Intergovt Actions/Boundaries							\$ 255.00		\$ 330.00			\$ 420.00	\$ 1,045.00			\$ 30.00	\$ 795.00		\$ 45.00	\$ 675.00		\$ 55.00		\$ 3,650.00	2%
Police/Fire		\$ 829.80							\$ 45.00		\$ 60.00	\$ 415.00	\$ 198.85		\$ 233.80	\$ 60.00	\$ 255.00	\$ 110.00	\$ 70.50	\$ 345.00	\$ 202.90	\$ 567.50	\$ 95.00	\$ 3,488.35	2%
Public Works		\$ 75.00	\$ 870.00	\$ 156.75	\$ 90.00	\$ 150.00	\$ 840.00	\$ 374.75	\$ 1,335.00	\$ 1,080.40	\$ 1,535.00		\$ 210.00				\$ 403.22	\$ 15.00	\$ 165.00	\$ 45.00				\$ 7,345.12	4%
Parks & Recreation				\$ 60.00			\$ 480.00	\$ 75.00	\$ 30.00					\$ 675.00	\$ 775.00	\$ 376.00		\$ 165.00		\$ 211.60				\$ 2,847.60	2%
Real Property	\$ 1,655.00	\$ 698.65	\$ 415.00	\$ 357.70	\$ 755.00	\$ 365.60	\$ 665.00	\$ 644.05	\$ 288.50	\$ 126.30	\$ 1,680.00	\$ 360.00	\$ 130.80	\$ 220.00	\$ 1,542.35	\$ 1,117.50	\$ 3,284.07	\$ 2,020.00	\$ 4,977.85	\$ 3,605.00	\$ 345.71	\$ 2,465.50	\$ 622.96	\$ 28,342.54	17%
Engineering		\$ 105.00	\$ 30.00	\$ 45.00	\$ 45.00	\$ 120.00	\$ 406.00	\$ 45.00	\$ 30.00			\$ 30.00	\$ 75.00	\$ 1,015.00	\$ 396.80	\$ 135.00	\$ 1,861.60	\$ 150.00			\$ 45.00			\$ 4,534.40	3%
Contract Drafting											\$ 105.00													\$ 105.00	0%
Dartmouth LID																								\$ -	0%
Martin Litigation																								\$ -	0%
Martin Appeal															\$ 60.24	\$ 15.00								\$ 75.24	0%
Martin Circuit Court (Writ of Review)	\$ 675.00	\$ 135.00					\$ 45.00						\$ 155.00	\$ 303.80	\$ 10.00		\$ 2,955.00	\$ 749.76						\$ 5,028.56	3%
Martin Tax Court	\$ 40.00				\$ 15.00													\$ 2,955.00						\$ 55.00	0%
Martin Supreme Court		\$ 678.61	\$ 365.00	\$ 124.92																\$ 15.00				\$ 1,183.53	1%
Tigard Water District Withdrawal																								\$ -	0%
Joint Water Agency																								\$ -	0%
Tigard Water Department																								\$ -	0%
Regional Drinking Water Supply							\$ 638.00		\$ 25.00			\$ 588.00	\$ 960.50	\$ 1,323.00										\$ 3,534.50	2%
Schrauger, Rosemary																								\$ -	0%
Roger's Machinery v. Wash. (Appeals)									\$ 310.00	\$ 352.50	\$ 415.00							\$ 45.00	\$ 30.00					\$ 1,152.50	1%
Roger's Machinery v. Wash. (Supreme)												\$ 770.00	\$ 53.40	\$ 230.00	\$ 31.64	\$ 40.00		\$ 87.50	\$ 58.80		\$ 676.19	\$ 2,580.00	\$ 222.40	\$ -	0%
Metro 2040 (Title 3) LUBA Appeal																								\$ -	0%
69th Avenue LID		\$ 106.20		\$ 15.00																				\$ 121.20	0%
69th Avenue LID/Peirce Condemnation	\$ 388.00	\$ 1,440.04	\$ 606.00	\$ 2,181.95	\$ 982.50	\$ 1,358.64	\$ 806.75	\$ 912.25	\$ 830.00	\$ 535.57		\$ 754.00	\$ 477.30	\$ 170.60	\$ 132.70	\$ 35.00	\$ 531.68	\$ 474.00	\$ 44.40	\$ 25.00	\$ 255.70	\$ 132.50		\$ 13,074.58	8%
Williamette Water Project																								\$ -	0%
White Condemnation																								\$ -	0%
Morford Condemnation																								\$ -	0%
LUBA-Jean Haskell Trust						\$ 20.00																		\$ 20.00	0%
Land Use Application (Library)											\$ 525.00				\$ 345.00	\$ 195.00	\$ 90.00	\$ 1,115.00	\$ 60.80		\$ 30.00	\$ 30.00		\$ 2,390.80	1%
	\$ 5,399.70	\$ 9,566.49	\$ 5,647.50	\$ 6,076.89	\$ 5,467.50	\$ 4,583.69	\$ 6,728.85	\$ 11,748.45	\$ 9,501.50	\$ 7,065.40	\$ 9,581.50	\$ 5,730.50	\$ 5,588.78	\$ 6,985.10	\$ 7,839.11	\$ 7,431.62	\$ 10,969.88	\$ 9,300.50	\$ 10,620.94	\$ 9,416.50	\$ 4,333.78	\$ 8,713.50	\$ 3,209.60	\$ 166,757.35	100%

Matter	Period Through 1/15/03	Period Through 1/31/03	Total	Percent of Total
Labor Personnel	\$ -	\$ -	\$ -	0%
Risk Mgmt Insurance	\$ -	\$ -	\$ -	0%
Municipal Courts	\$ 169.00	\$ 1,183.00	\$ 1,352.00	16%
Community Development/Urban	\$ 105.00	\$ 315.00	\$ 420.00	5%
Elections/Public Meeting	\$ -	\$ -	\$ -	0%
Finance/Fees/Taxation	\$ -	\$ 151.20	\$ 151.20	2%
General/Council	\$ 600.00	\$ 1,037.20	\$ 1,637.20	19%
Hearings	\$ 330.00	\$ -	\$ 330.00	4%
Intergovt Actions/Boundaries	\$ -	\$ 75.00	\$ 75.00	1%
Police/Fire	\$ -	\$ 494.60	\$ 494.60	6%
Public Works	\$ -	\$ -	\$ -	0%
Parks & Recreation	\$ -	\$ -	\$ -	0%
Real Property	\$ 110.00	\$ 169.61	\$ 279.61	3%
Engineering	\$ -	\$ -	\$ -	0%
Contract Drafting	\$ -	\$ -	\$ -	0%
Dartmouth LID	\$ -	\$ -	\$ -	0%
Martin Litigation	\$ -	\$ -	\$ -	0%
Martin Appeal	\$ -	\$ -	\$ -	0%
Martin Circuit Court (Writ of Review)	\$ -	\$ -	\$ -	0%
Martin Tax Court	\$ -	\$ -	\$ -	0%
Martin Supreme Court	\$ -	\$ -	\$ -	0%
Tigard Water District Withdrawal	\$ -	\$ -	\$ -	0%
Joint Water Agency	\$ -	\$ -	\$ -	0%
Tigard Water Department	\$ -	\$ -	\$ -	0%
Regional Drinking Water Supply	\$ -	\$ -	\$ -	0%
Schrauger, Rosemary	\$ -	\$ -	\$ -	0%
Roger's Machinery v. Wash. (Appeals)	\$ -	\$ -	\$ -	0%
Roger's Machinery v. Wash. (Supreme)	\$ 20.00	\$ -	\$ 20.00	0%
Metro 2040 (Title 3) LUBA Appeal	\$ -	\$ -	\$ -	0%
69th Avenue LID	\$ -	\$ -	\$ -	0%
69th Avenue LID/Peirce Condemnation	\$ 480.00	\$ -	\$ 480.00	6%
Williamette Water Project	\$ -	\$ -	\$ -	0%
White Condemnation	\$ -	\$ -	\$ -	0%
Morford Condemnation	\$ -	\$ -	\$ -	0%
LUBA-Jean Haskell Trust	\$ -	\$ -	\$ -	0%
Land Use Application (Library)	\$ 615.00	\$ 273.45	\$ 888.45	10%
Anderson Condemnation	\$ 545.00	\$ 329.20	\$ 874.20	10%
Linn Condemnation	\$ 682.50	\$ 201.40	\$ 883.90	10%
Landstrom Condemnation	\$ 615.00	\$ 202.20	\$ 817.20	9%
	\$ 4,271.50	\$ 4,431.86	\$ 8,703.36	100%



CITY OF TIGARD, OREGON



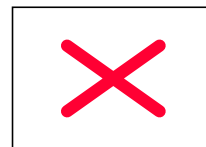
RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

EXHIBIT 5

**EXAMPLE - RIGHTS-OF-WAY ADMINISTRATOR AND
MANAGER JOB DESCRIPTIONS**



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

RIGHTS-OF-WAY ADMINISTRATOR JOB DESCRIPTION

POSITION CONTROLS

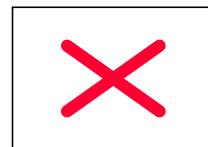
Works under the general supervision of the Engineering Manager or Director Public Works and receives advice only on matters regarding City policy, department and program objectives and budget limitations. These guides are rarely adequate for solving complex and unique problems. Because the work is performed under time pressures and involves unique considerations, a high degree of originality and technical judgment is exercised to develop techniques and processes to direct timely completion of work effort.

DUTIES AND RESPONSIBILITIES

1. Responsible for planning, organizing, directing and controlling long-term, short-term and day-to-day operations of the Rights-of-Way activities to ensure major projects and programs are implemented efficiently and effectively to enhance management of access to and occupancy of public space, structures, and rights-of-way; adhering to City policies; and achieving Department goals and objectives.
2. Develops, adapts and implements appropriate rights-of-way management policies, procedures, directives, methods, practices and techniques to support the mission of the Department of Public Works and Engineering Department.
3. Provides expert advisory services by analyzing and advising the Rights-of-Way Manager and line managers as to course of action to take when making operating program/project decisions.
4. Provides overall management of employees engaged in issuing permits to access the ROW and certificates for the long-term occupancy of the ROW to utilities, telecommunications providers, cable companies and other persons to conduct and maintain a business in the City.
5. Manages and administers implementation of computerization plan including automation of permit work flow process, public space counter maps, and coordination of information technology requirements of the branches within DPW.



CITY OF TIGARD, OREGON

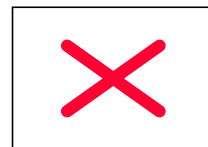


RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

6. Recommends, implements and monitors rights-of-way rental fee in compliance with published City policy.
7. Initiates periodic reviews of public space permit issuance and inspection fees to ensure public space management costs are being fully recovered.
8. Evaluates staffing levels and job descriptions to determine if the number of current staff and technical abilities are appropriate for the permit issuance, inspection and rights-of-way management functions.
9. Performs long and short range planning, develops policies and procedures and monitors controls to ensure efficient and effective operations and high level of customer service.
10. Communicates with utilities, telecommunication providers, cable companies, citizens, customers, businesses and other persons to provide information and assistance related to occupying the public ROW for business purposes.
11. Develops, implements, updates written and system wide internal control procedures for the section to use to safeguard against waste, loss, unauthorized use or misappropriation of City assets.
12. Ensures compliance with federal law, City, Engineering and DPW policies and procedures.
13. Makes recommendations for change in City rulemaking regarding public space and federal and City government policies and procedures to improve operating effectiveness.
14. Performs a variety of activities such as publishes training manuals, administers budget, monitors changes in government policies, and coordinates with various City departments to facilitate smooth operations.
15. Participates in negotiation of City cable franchise agreement and other rights-of-way agreements, as it relates to the occupation of public space, and any renewal of rights in public space.
16. Prepares various management reports to maintain records of activities.
17. Advises the Director Public Works, Manager Engineering, Finance Director, and others as appropriate, and/or recommends solutions and/or approaches regarding areas of major concern.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

FACTORS

Knowledge required by the Position

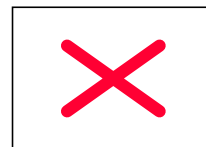
- Thorough knowledge of the principles and practices of management, accounting, and public/business administration.
- Thorough knowledge of City and federal laws governing the permitting and occupancy of public rights-of-ways by utilities, telecommunications providers, cable companies and other persons.
- Knowledge of the Federal Telecommunications Act of 1996.
- Knowledge of department policies and procedures.
- Skill in oral and written communication.
- Skill in planning, directing, coordinating and organizing people and activities.
- Ability to read and understand engineering drawings.
- Ability to effectively supervise the work of others.
- Ability to establish a rapport with all levels of City workers, officials, contractors and the general public.
- Ability to develop and present reports to the Public Works Director.
- Ability to evaluate relevant factors and constraints to make good decisions.

Supervisory Controls

Work assignments are primarily self-directed following the duties and responsibilities described above. Completed work is reviewed only for adherence to administrative policy, and all technical aspects of the assignment are accepted without review. The incumbent confers with the supervisor on policy matters that require clearance from higher authority.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Guidelines

Guidelines include City Code, Building Code and national codes as applicable, State statutes and accounting and procurement regulations; the Federal Telecommunication Act of 1996 and court decisions arising from it; Memorandums of Agreement among utility and telecommunication providers and ROW Agreements; and department policies and procedures. The incumbent is expected to use these guidelines to ensure completion of routine assignments. The supervisor is consulted when guidelines are nonexistent or when policies are unclear.

Complexity

The incumbent is responsible for implementing a computerization plan including: automation of permit work flow process, public space counter maps and coordination of information technology requirements of the Section within DPW; implementing a rights-of-way rental fee in compliance with City policy; and conducting periodic reviews of public space fees to ensure public space costs are being fully recovered. The incumbent is expected to manage these new initiatives from their inception to completion and then to oversee and evaluate their annual operation. Duties include a broad range of managerial and technical responsibilities to include extending the capabilities of Washington Geographic Information System (WGIS) to the section, digitizing manually maintained counter maps, monitoring hardware/software consultant contracts and ensuring a successful WGIS implementation. He also is the Department's representative to the WGIS team to supervise and coordinate the Section's digitized geographical layout of the existing and proposed structures on public space and computerized tracking of the permit application and processing functions performed by public space personnel. He may also represent the department on public ROW issues before the National Capital Planning Commission, Fine Art Commission and Public Space Committee.

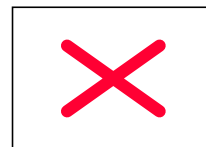
Scope and Effect

The purpose of the position is to efficiently and effectively manage the access to and occupancy of public space, structures, and rights-of-way; improve the existing systems and procedures through automation; serve as a liaison between the department and utilities, telecommunication providers, cable companies and other persons who use the public ROW in their business; and make decisions regarding section priorities to ensure that schedules are met and department overall goals and objectives are achieved.

Personal Contacts



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

The incumbent is in contact with utility, telecommunication providers and cable company representatives and department technical staff regarding ROW occupancy and permit issues. Contacts with these representatives and construction personnel are made at the time they apply for access to the ROW and throughout the period in which their facilities occupy the ROW. Other contracts are made with Corporation Counsel attorneys, ROW consultants, managers and technical staff in Public Works and other City departments and agencies (ex. Department of Consumer and Regulatory Affairs, Water and Sewer Authority and Department of Administrative Services. etc.), agencies of the Federal Government, staff of the National Capitol Planning Commission, and Washington Geographic Information System (WGIS) hardware and software vendors/consultants.

Purpose of the Contacts

The incumbent meets with utilities, telecommunication providers and cable company representatives to address problems and questions related to occupancy of the ROW, inventory of facilities, calculation of rental fees, audits of company records, interpretation of existing ROW agreements, and transfers of control/ownership. Contacts with consultants and contractors are made to ensure compliance with the scope of work, monitor work progress, clarify invoices and ensure accurate payments for work performed. Additional contacts with outside departments, agencies and the public are often required to plan and coordinate work on public ROW related programs and projects, monitor and report progress, resolve implementation problems and evaluate the project at completion.

Physical Demands

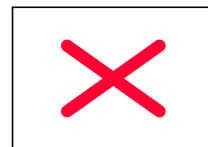
Work is sedentary. However, there may be office tasks and field trips that require walking, bending, lifting, stooping and standing.

Work Environment

Most work is performed in an office but may, on occasion, require field trips to non-routine ROW projects.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

RIGHTS-OF-WAY MANAGER JOB DESCRIPTION

POSITION CONTROLS

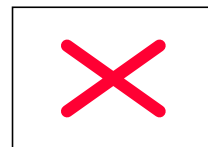
Works under the general supervision of the Rights-of-Way Administrator and receives advice only on matters regarding City policy, department and program objectives and budget limitations.

DUTIES AND RESPONSIBILITIES

1. Responsible for planning, organizing, directing and controlling employees responsible for managing the access to and occupancy of public space, structures, and rights-of-way; adhering to City policies; and achieving Department goals and objectives.
2. Provides overall management of employees engaged in issuing permits to access the ROW and certificates for the long-term occupancy of the ROW to utilities, telecommunications providers, cable companies and other persons to conduct and maintain a business in the City.
3. Manages and administers implementation of computerization plan including: automation of permit work flow process, public space counter maps, and coordination of information technology requirements of the Section within DPW.
4. Recommends and implements rights-of-way rental fee in compliance with City policy
5. Initiates periodic reviews of public space fees to ensure public space costs are being fully recovered.



CITY OF TIGARD, OREGON

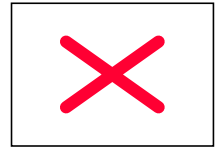


RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

6. Evaluates staffing levels and job descriptions to determine if the number of current staff and technical abilities are appropriate for the permit issuance and ROW management functions.
7. Supervises staff including making work assignments, hiring, training, performance evaluation and other personnel actions to ensure productivity and quality standards are maintained.
8. Performs long and short range planning, develops policies and procedures and monitors controls to ensure efficient and effective operations and high level of customer service.
9. Communicates with utilities, telecommunication providers, cable companies, citizens, customers, businesses and other persons to provide information and assistance related to occupying the public ROW for business purposes.
10. Develops, implements, updates written and system wide internal control procedures for the section to use to safeguard against waste, loss, unauthorized use or misappropriation of City assets.
11. Ensures compliance with federal law, City and DPW policies and procedures.
12. Make recommendations for changes in City rulemaking regarding public space and federal and City government policies and procedures to improve operating effectiveness.
13. Performs a variety of activities such as publishes training manuals, administers budget, monitors changes in government policies, and coordinates with various City departments to facilitate smooth operations.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

14. Participates in negotiation of City cable franchise agreement and other right-of-way agreements, as it relates to the occupation of public space, and any renewal of rights in public space.
15. Prepares various management reports to maintain records of activities.
16. Performs other duties as assigned.

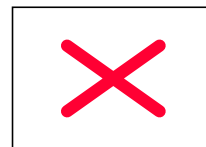
FACTORS

Knowledge required by the Position

- Thorough knowledge of the principles and practices of management, accounting, and public/business administration.
- Thorough knowledge of City and federal laws governing the permitting and occupancy of public rights-of-ways by utilities, telecommunications providers, cable companies and other persons.
- Knowledge of the Federal Telecommunications Act of 1996.
- Knowledge of department policies and procedures.
- Skill in oral and written communication.
- Skill in planning, directing, coordinating and organizing people and activities.
- Ability to read and understand engineering drawings.
- Ability to effectively supervise the work of others.
- Ability to establish a rapport with all levels of City workers, officials, contractors and the general public.
- Ability to develop and present reports to the Engineering Manager, Public Works Director, Finance Director, and others as needed.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

- Ability to evaluate relevant factors and constraints to make good decisions.

Supervisory Controls

Work assignments are primarily self-directed following the duties and responsibilities described above. Completed work is reviewed only for adherence to administrative policy, and all technical aspects of the assignment are accepted without review. The incumbent confers with the supervisor on policy matters that require clearance from higher authority.

Guidelines

Guidelines include City Code, Building Code and national codes as applicable, and accounting and procurement regulations; State statutes, the Federal Telecommunication Act of 1996 and court decisions arising from it; Memorandums of Agreement among utility and telecommunication providers and ROW Agreements; and department policies and procedures. The incumbent is expected to use these guidelines to ensure completion of routine assignments. The supervisor is consulted when guidelines are nonexistent or when policies are unclear.

Complexity

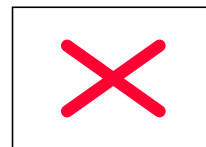
The incumbent is responsible for implementing a computerization plan including: automation of permit work flow process, public space counter maps and coordination of information technology requirements; implementing rights-of-way franchise/license fees in compliance with City policy; and conducting periodic reviews of public space fees to ensure public space costs are being fully recovered. The incumbent is expected to manage these new initiatives from their inception to completion and then to oversee and evaluate their annual operation.

Scope and Effect

The purpose of the position is to efficiently and effectively manage the access to and occupancy of public space, structures, and rights-of-way; improve the existing systems and procedures through automation; serve as a liaison between the department and utilities, telecommunication providers, cable companies and other persons who use the public ROW in their business; and make decisions regarding section priorities to ensure that schedules are met and department overall goals and objectives are achieved.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

Personal Contacts

The incumbent is in contact with utility, telecommunication providers and cable company representatives and department technical staff regarding ROW occupancy and permit issues. Contacts with these representatives and construction personnel are made at the time they apply for access to the ROW and throughout the period in which their facilities occupy the ROW. Other contacts are made with City attorneys, ROW consultants, managers and technical staff in Public Works , Engineering, Finance and other City departments.

Purpose of the Contacts

The incumbent meets with utilities, telecommunication providers and cable company representatives to address problems and questions related to occupancy of the ROW, inventory of facilities, calculation of rental fees, audits of company records, interpretation of existing ROW agreements, and transfers of control/ownership. Contacts with consultants and contractors are made to ensure compliance with the scope of work, monitor work progress, clarify invoices and ensure accurate payments for work performed. Additional contacts with outside departments, agencies and the public are often required to plan and coordinate work on public ROW related programs and projects, monitor and report progress, resolve implementation problems and evaluate the project at completion.

Physical Demands

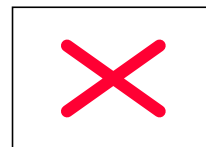
Work is sedentary. However, there may be office tasks and field trips that require walking, bending, lifting, stooping and standing.

Work Environment

Most work is performed in an office but may, on occasion, require field trips to non-routine ROW projects.



CITY OF TIGARD, OREGON



RIGHTS-OF-WAY MANAGEMENT ASSESSMENT STUDY

**EXHIBIT 6 - FRANCHISE FEE RATE COMPARISONS - OTHER
OREGON CITIES**

Right-of-Way Management Comparison

	Beaverton	Eugene	Fairview	Forest Grove	Gresham	Hillsboro	Lake Oswego
1. Does your city charge for franchise fees? How much?	PGE - 3.5% Garbage - 4% Verizon - 4.03% Cable - 5% Qwest - 5.1% NW Natural Gas - 3% Telecom franchises various rates low of 4.03% to 5%	Local Phone - 7% of revenues generated from local wireline service. Qwest is one of 5 ILEC's in the State operating under ORS 22.515 and the only ILEC in Eugene. Cable - 5% of gross revenues earned in the City. Natural Gas - 5% of gross revenues earned in the City (Non-NWNG suppliers are currently challenging the tax). Electric - 6% of retail electric power and 17% of net wholesale electric power. Telecom License Fee - tax based on principle of compensating the public for use of the ROW. Facility owner - 7% of gross receipts earned within Eugene. Reseller - 7% of gross receipts earned within Eugene with deduction for compensation paid to a facility owner. There is also a per foot charge for telecom networks that do not generate revenue and the ability to enter into in-kind agreements in lieu of fees.	Electricity - 3.5% Natural Gas - 5.94% Garbage - 4% Cable - 5% Telecomm. - 7% Water - 6% Sewer - 6% Storm - 6%	Electricity - 5% Natural Gas - 3% Cable - 5% Telecomm. - 4% Water - 5% Garbage - 3% with no charge for collection of City garbage Sewer - 5% on City portion (0% on CWS portion)	Electricity - 5% of gross revenues Gas - 5% of gross revenues Telecommunications Carrier - 5% of gross revenues with a minimum fee of \$5,000 per year Telecommunications Utility - 7% of gross revenues Transmission Line - \$2.50 per lineal foot within the public right-of-way per year. Privilege tax - the applicable amount as described above, or, if none are applicable, 5% of gross revenues collected for operation within the city.	Electricity - 3.5% Natural Gas - 3% Garbage - 3% Cable - 5% Local Telephone - 7% Long Distance Telephone - 3.5% Water - 3.5% Sewer - 3.5% SWM - 3.5% Fiber Optic \$1,500 or 5% Ambulance - County Ord/State Licensed. Taxi Cabs - \$35.00 per vehicle/year	Electricity - 3.5% Natural Gas - 3% Garbage - 3% Telephone - 4.3% Cable - 5% Telecomm. - 5%
2. Does your city have a permit application fee for construction done in the ROW? How much?	Yes, depends on scope of work. Minimum fee is \$53; more substantial construction is based on cost estimates of publicly-maintained infrastructure or privately maintained sidewalks and drive approaches. If the cost estimate is over \$5,000, then it is 3% or \$250, whichever is greater. If under \$5,000, it is 5% or \$53, whichever is greater. Franchise utilities are exempt from paying any permit fees after yearly franchise fees are paid.				Street lights - billed at actual cost (actual costs include salary, materials, and overhead charges). Street signs - per street sign face \$180; per stop sign \$80; other signage per sign \$80. Construction/connection permits: <i>Water</i> - \$100 plus Water Division Connection Permit fee & installation charges; <i>Wastewater</i> - \$65 plus Wastewater Division Connection Permit Fee & inspection charges; <i>Storm</i> - \$40	No	Yes. \$150 for excavations out of paved surfaces; \$300 for in pavement cuts. For larger projects, we reserve the right to charge a minimum of \$300 plus T & M, once we bill in excess of \$300
3. Does your city require water, waste water, and storm water to obtain permits for construction in the ROW? How much if different than question 2?	No				Water - Water System Connection Permit Fee - Residential \$10; Commercial \$25. Wastewater - New Connections Permit/Inspection Fee - Single Family \$10; Other per cxn \$25.	Yes, we require permits. There is a \$50 tap permit for sanitary and storm water. (It is to connect to the system - does not involve SDC's)	No, if public improvements are for private development. If for private systems, then yes permit fees are charged. Same amount as #2, above.
4. Does your city require water, waste water, and storm water to pay a franchise? How much?	The City's water, sewer and storm funds are shared a payment-in-lieu of 5%.				5% of user fees collected.	We require water to pay 3.5% in franchise fees.	No
5. Does your city charge a privilege tax? If yes, in lieu of or in addition to any franchise fee? How much?	The City of Beaverton does not currently charge a privilege tax.				Yes, in lieu of any franchise fee. Privileged Tax (for utility operating without a license). The applicable amount as describe in Question 1, or if none are applicable, 5% of gross revenues collected for utility operations within the city.	Only Verizon is charged a privilege tax because they would not sign a franchise. All other utilities and telecommunications have a franchise.	No
6. Does your city require franchised utilities to obtain permits before working in the ROW? If yes, do you charge for those permits or is the work included in the franchise fee?	Yes, included in franchise fees for the big five (PGE NW Natural, Qwest, Verizon, Comcast). Some of the telecoms that went bankrupt were charged individual permit fees in 199, 2000, and 2001 because a full franchise agreement had yet to be executed.				Billed at actual cost (actual costs include salary, material, and overhead charges).	Yes, they do have to obtain a permit.	Yes. See response to #2, above.
7. If you issue blanket permits to franchised utilities rather than issuing individual permits, do you charge a fee for the blanket permit? How much?	No blanket permits except that sometimes those close in proximity and time of construction are combined for efficiency sake.				Do not issue blanket permits to licensed utilities.	We do not offer blanket permits.	No
8. Do you charge a separate inspection fee for work in the ROW? How much?	Yes for non-franchise; 5% of cost estimate. If less than \$53, then the fee is not charged.				Permit application and processing fee - \$25. Administration/plan review/inspection fee - billed at actual cost (actual costs include salary, material and overhead charges).	No, there is not a separate inspection fee other than the \$50 tap fee required for water.	For public improvements constructed to serve private development, we charge T & M including overhead for inspection services.

	Beaverton	Eugene	Fairview	Forest Grove	Gresham	Hillsboro	Lake Oswego
9. Do you charge a fee in lieu of undergrounding overhead utilities? How much?	Yes. The per-foot-fees right now are indexed to the ENR Seattle CCI, to be revised each year on April 1. FY 03-04 are in (). Class 1 Facilities - electrical \$25 (\$27); telephone \$10 (\$11); cable tv \$10 (\$11). Class 2 Facilities - electrical \$55 (\$59); telephone \$16 (\$17); cable tv \$10 (\$11). Class 3 Facilities - electrical \$125 (\$134); telephone \$20 (\$21); cable tv \$20 (\$21). Trenching - \$25 (\$27). All the above are additive depending upon class, type, and number of EXISTING wires; trenching is only charged once per length no matter how many utility lines.				Not to the utilities. The city or developer pays the charges. Require undergrounding as part of the development process.	If they qualify - sometimes we do it for storm water. That is the only use. The fee is square footage of impervious surface divided by 2640 x 500. (E.g. 5,000/2640 = 2x500 = \$1,000	No. We require new commercial development or subdivisions to underground all utilities.
10. Do you charge a fee to assign new addresses? How much?	No.				Land division or subdivision street review (for review & assignment of street names) - \$50 base fee + \$5/lot. Assignment of Dwelling address 1-3 units (for review, assignment, and notification of new dwelling address) - \$40/address. Assignment of address/building lettering/unity number for multi-family dwelling units of more than 3 units (apartment complexes, moorages, and manufactured home parks) - \$60 base fee per address + 45 per unit number for the first 50 units, and \$2 per unit number thereafter. Assignment of address/address range/tenant address unit numbers for new commercial buildings - \$60 base fee per address + \$40 per tenant address or unit number thereafter. Requested change by property owner of existing address - \$200 per address. Misc. review of address - \$15 per address.	No, we do not charge a fee for assigning new addresses unless it needs plan review.	Yes. If a change of address is requested for reasons other than fire and life safety, we charge \$60.
11. Do you impose a moratorium on street cuts for newly constructed or overlaid streets? If so how long?	Yes. One year or as determined by the City Engineer (potentially longer on collector and arterial streets).				Yes, 2 years.	Yes, it is policy, not actually written in a rule. We like 2 years minimum.	We do not impose a moratorium. We do however, require the constructor of the utility in a new overlay to mill and repave a section of 10 feet on each side of the utility cut. The cost is significant enough that most contractors either relocate the utility or use trenchless techniques for installation.
12. Do you charge entities which have performed work in the ROW the costs to repair of failed utility cuts during a given time period after the initial work was performed? What is the time period?	No charge; utility is expected to repair regardless with their forces and expense upon notification. No statute of limitations if a direct link between a specific utility's work and a failed cut or other problem can be made.				Yes. Perpetual.	For Telecom we have a performance bond equal to at least 50% of the estimated costs of construction within the ROW. It remains in force for 60 days after construction and is not released until the City writes a letter.	Generally, we have a one-year warranty requirement on all street opening permits.

Right-of-Way Management Comp.

	Milwaukie	Newberg	Oregon City	Portland	Salem	Sherwood	Springfield	Tigard	Troutdale	Wilsonville
1. Does your city charge for franchise fees? How much?	PGE - 3.5% NW Natural - 3% AT&T - 5% Qwest - 7% Electric Lightwave - 5% Fees based on gross revenue.	PGE - 3.5% Verizon - 7% Comcast - 5% NWN Gas - 3% Garbage - 3%	Electricity - 3.5% Natural Gas - 3% Garbage - 4% Telecomm. - 7% Cable - \$1.50/foot/year Water - 6% Sewer - 6% Storm - 6%	CLECs (those who provide retail services) 5% of gross revenues earned in Portland Point-to-point or long haul co's (those with fiber in the streets, but they just pass through Portland): \$3.08/linear trench foot (which increases by CPI each year). The trenches are measured linearly parallel to street centerlines. It is not a volumetric charge. Qwest & Verizon: 7% of local exchange access revenues per ORS limitations. Pipeline: linear foot charge that varies. One is gross revenue based. Phone booths: 15 - 40% of gross Railroads: linear charge, but this is currently in dispute. Water/Sewer: 7.5% of gross Gas & Electricity: 5% of gross Wireless: \$3,000 per pole with equipment per year (ie, per-pole fee only includes poles with antennas/equipment boxes and excludes poles that just have fiber/copper/coax connecting the antennas to the base station). Others use the ROW with authority coming from encroachment permits, such as awnings, bus benches, paper and advertising boxes, restaurant sidewalk tables, etc.	Yes, 7% as allowed by state law for ILECS and 7% of gross revenue for CLECS. Note: Salem does not have a business license tax.	Electricity - 3.5% Natural Gas - 5% Garbage - 5% Cable - 5% Telecomm. - 5%	ILEC - 7% of Local Exchange Access Revenue CLEC - 5% of gross revenue Natural Gas - 5% of gross revenue Cable - 5% of gross revenue Solid Waste - 7% of gross revenue No local service provided telco \$2.25 per foot.	Electricity - 3.5% Natural Gas - 3% Garbage - 3% Cable - 5% Telecomm. - 5%	Electricity - 5% Natural Gas - 5.94% Garbage - 5% Cable - 5% Telecomm. - 7% Water - 5% Sewer - 5% Storm - 5%	Electricity - 3.5% Natural Gas - 5% Garbage - 3% Cable - 5% Telecomm. - 5% Water - 4% Sewer - 4% Storm - 4%
2. Does your city have a permit application fee for construction done in the ROW? How much?	\$135 for simple projects or, for larger, more complex projects - 5.5% of cost of project.	Yes. \$10		No application fees, however, on some permits a deposit will be required. This deposit will be a portion of the estimated fees for the project.	Yes, \$653 minimum fee or 5% of engineer's estimated project cost for city infrastructure. A franchise utility construction permit is \$385.		Yes. \$120.00	No permit application per se. Our entire permit process is a cost recovery system. The minimum up front "fee" is \$150.00.		Yes, for public works permit, 1% plan review and 4% inspection and administration. Percent based on engineers estimate for cost of public improvements. No charge for public utility permit for franchise utilities.
3. Does your city require water, waste water, and storm water to obtain permits for construction in the ROW? How much if different than question 2?	Yes, we require them. Same as other utilities.	No		Yes, depends on the project type and scope.	Yes, same fees as above.		No	No. Tigard Municipal Code Chapter 15 expressly excuses City projects from the permit process.		All work in public ROW or public easement requires a permit.
4. Does your city require water, waste water, and storm water to pay a franchise? How much?	Yes, 5% and funds go to the Streets Dept.	No		Yes, see #1	No, these are city services.		No	No		Yes. See rates above.
5. Does your city charge a privilege tax? If yes, in lieu of or in addition to any franchise fee? How much?	Not yet, but we may pass one soon to levy on PGE for another 1.5%.	Yes. 1.5%		No	The City receives 5% of gross revenues for the gas and electric utilities, and utilities describe the last 1.5% as being a privilege tax.		No	No		No
6. Does your city require franchised utilities to obtain permits before working in the ROW? If yes, do you charge for those permits or is the work included in the franchise fee?	They have to submit plans, but are not charged a fee.	Yes. Included in franchise fee.		Yes. Franchised utilities are charged a franchise fee and a per lineal foot permit fee. Point-to-points are \$3.08 + CPI.	Yes, a construction permit fee of \$385 is required for projects over 100 feet of service line, and a maintenance fee of \$65 is charged for small projects. Permits are charged in accord with the terms of the franchise. For example, Qwest <u>does</u> deduct permit fees from their franchise fee, but most CLECS <u>do not</u> .		Yes. Fee is included in franchise fee.	No.		Yes, included in franchise fee.
7. If you issue blanket permits to franchised utilities rather than issuing individual permits, do you charge a fee for the blanket permit? How much?	No blanket permits.	No blanket permits.		Blanket permits are issued; however, they are only issued in very defined circumstances. Some types of work is allowed to occur and be billed at the end of the month, rather than collecting a permit for each individual instance.	No		Included in franchise fee.	No		Answer not provided.
8. Do you charge a separate inspection fee for work in the ROW? How much?	No	Utility companies - no. Private contractors - 3% of "public improvement" costs.		Depends on the project, most inspection fees are built into the permit fee base.	Inspection fees are included in the permit fee with the exception of additional inspection charges if necessary at the rate of \$55/ea.		No	No		See answer in to question 2.

	Milwaukie	Newberg	Oregon City	Portland	Salem	Sherwood	Springfield	Tigard	Troutdale	Wilsonville
9. Do you charge a fee in lieu of undergrounding overhead utilities? How much?	No	No		No. However, some areas of Portland require underground utility installations.	No		No	Yes. \$27.50 per lineal feet of frontage		No
10. Do you charge a fee to assign new addresses? How much?	No	No		Yes. \$45	No		Yes. \$8	Yes. \$30		No
11. Do you impose a moratorium on street cuts for newly constructed or overlaid streets? If so how long?	No	No		Yes. 5 years.	Yes. 5 years with exceptions on a case-by-case basis.		Indefinite (until there is no other feasible way of providing service)	Not a formal moratorium. However, if a street was overlaid within the last year, we will not allow an open cut.		5 years
12. Do you charge entities which have performed work in the ROW the costs to repair of failed utility cuts during a given time period after the initial work was performed? What is the time period?	We require them to repair the street and if they don't and we have to repair it - they pay OUR costs.	2 year warranty period. If the entity does not perform, the repair is usually performed by city staff and billed to entity.		The utility cuts made to the City of Portland streets are the responsibility of that utility until the street is either repaved or reconstructed. The permittee must correct any failures to the pavement.	Work in the PROW is to be done by a bonded contractor or bonded franchisee and they are responsible for repairs to street cuts indefinitely.		Yes. Warranty is one year.	Yes. We require repairs as long as the failures show up during the one-year maintenance period.		The standard is a one year maintenance period.

AGENDA ITEM # _____
FOR AGENDA OF July 15, 2003

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Policy Discussion on Updating Planning Fees

PREPARED BY: Jim Hendryx DEPT HEAD OK _____ CITY MGR OK _____

ISSUE BEFORE THE COUNCIL

Staff wishes to get direction from Council on updating planning fees to reflect the cost of processing land use permits and charging a fee to offset costs for specialized planning studies.

STAFF RECOMMENDATION

After evaluating relevant information, direct staff to proceed with updating planning fees to recover costs of processing land use permits and charging a fee to offset costs for specialized planning studies.

INFORMATION SUMMARY

Staff is seeking direction from Council on updating planning fees to reflect the cost of processing land use permits and an option of charging a fee to offset costs for specialized planning studies. Council established a goal in 2002 to evaluate fees and charges to ensure that City costs were being recovered. Council adopted new planning fees that went into effect in July 2002.

At the time of the previous fee evaluation, it was recognized that two components of planning fees were not included. The time that Engineering (Development Review Engineer) and Public Works (Urban Forester) spend on plan review was not included in the costs.

Planning fees include an annual cost of living adjustment that is based on the June edition of the Engineering News Record (ENR). Effective July of each year, the City updates the Master Fee and Charges List. Planning related fees must be adjusted the following month in order to capture the ENR June index. In an effort to standardize the annual update of all City fees and charges, it is recommended that the planning fees reflect the April ENR index instead of the June index.

Staff is also seeking direction on an option for charging a fee to offset the costs of preparing specialized planning studies that are generally funded by grants or the general fund. Such studies can be substantial in cost, either in direct costs of staff or for outside assistance, such as consultants.

OTHER ALTERNATIVES CONSIDERED

Direct staff to not proceed with updating planning fees or charging a fee to offset costs for specialized planning studies.

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

N/A

ATTACHMENT LIST

Attachment 1: July 1, 2003 Memo from Jim Hendryx to City Council – “Planning Fees”

FISCAL NOTES

Potential revenue varies – proposed fees would help to offset the actual costs of processing individual land use permits. They do not attempt to recover total costs of the Planning Division.

MEMORANDUM

CITY OF TIGARD

TO: City Council

FROM: Jim Hendryx

DATE: July 1, 2003

SUBJECT: Planning Fees

The purpose of this memo is to get direction from Council on updating planning fees to reflect the cost of processing land use permits. A second issue is to discuss the option of charging a fee to offset costs for specialized planning studies. Council established a goal in 2002 to evaluate fees and charges to ensure that City costs were being recovered. Following that charge, Merina & Company was hired to assist Community Development update its planning application fees. After an extensive analysis, Council adopted new planning fees that went into effect in July 2002.

At the time of the Merina & Company study, it was recognized that two important components of planning fees were not included. The time that Engineering (Development Review Engineer) and Public Works (Urban Forester) spend on plan review was not included in the costs.

Engineering and Public Works have estimated their hours for individual planning permits. Personnel and overhead costs have been determined, resulting in greater accuracy for the total costs associated with processing planning applications. It should be noted that the fees represent the actual costs of processing the individual permits and do not attempt to recover total costs of the Planning Division.

Planning fees include an annual cost of living adjustment that is based on the June edition of the Engineering News Record (ENR). This report is released monthly and includes construction, building, and material cost indexes. Effective July of each year, the City updates the Master Fee and Charges List. Planning related fees must be adjusted the following month in order to capture the ENR June index.

In an effort to standardize the annual update of all City fees and charges, it is recommended that the planning fees reflect the April ENR index instead of the June index. This would provide for a standardized process for all fees and charges, including planning fees.

The second issue I would like to get direction on is the option for charging a fee to offset the costs of preparing specialized planning studies, such as completion of the Downtown Plan, Goal 5, Bull

Mountain Study, etc. Planning studies, similar to these examples, are generally funded by grants or the general fund. Such studies can be substantial in cost, either in direct costs of staff or for outside assistance, such as consultants.

How could such a fee be charged? Various options exist, from imposing a percentage charge on all planning applications to charging a specialized fee on all planning and building permit applications. Potential revenue varies greatly, depending on the desired outcome. Few jurisdictions have not attempted to collect fees to support specialized planning studies or long range planning activities.

Specific fees and tables are not included at this time. Council direction is desired prior to proceeding any further with this effort.

AGENDA ITEM # _____
FOR AGENDA OF July 15, 2003

CITY OF TIGARD, OREGON
COUNCIL AGENDA ITEM SUMMARY

ISSUE/AGENDA TITLE Discuss Agenda Topics for the Joint Meeting with the Washington County Board of Commissioners

PREPARED BY: Cathy Wheatley DEPT HEAD OK _____ CITY MGR OK _____

ISSUE BEFORE THE COUNCIL

Discuss agenda topics for the joint meeting with the Washington County Board of Commissioners

STAFF RECOMMENDATION

Determine which items should be placed on the City of Tigard Council/Washington County Board of Commissioners joint meeting.

INFORMATION SUMMARY

Council has requested a joint meeting with the Washington County Board of Commissioners. A special Council meeting has been set for July 29, 2003, 6 p.m., in the Tigard City Hall Town Hall. Council members in recent discussions have noted possible agenda topics including annexation, cities subsidizing urban-developed "rural" areas adjacent to city boundaries, and systems development charges. Other issues might include commuter rail update, Bridgeport development status, affordable housing efforts, and transportation improvement plans.

OTHER ALTERNATIVES CONSIDERED

N/A

VISION TASK FORCE GOAL AND ACTION COMMITTEE STRATEGY

No specific Vision Task Force goal identified. However, Goal 7 of the Council Goals for 2003 relates to Communication. Subsection "A" of this goal states: "Increase Tigard's communication with other elected bodies through active participation of City Council members and staff."

ATTACHMENT LIST

None

FISCAL NOTES

N/A